Box-63

Docket 1654

Bar Code 11946

Goldfield consolidated

2 maps in Drawer-10

Bar Code 51641

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Terminated (or cancelled) without certification. DMEA No. 1654X

This is the official contract file containing all official records of the project. Duplicate material has been removed. The records contained in the files are checked and are arranged in this manner:

Left Side

Certificate of Audit (Final).

Interim Audit(s).

✓ Report of Review.

✓ Termination Notice or Agreement.

Recision Notice.

Assignment of Contract.

✓ Contract Amendments (latest on top).

✓ Contract with all exhibits and annexes.

Owner's Consent to Lien.

Subordination Agreement.

Leases and assignments of leases.

✓ Application and attachments.

Schedule of Collections.

✓ Operator's monthly reports and all attachments (latest on top).

Right Side

✓ Project summary.

✓ Work completed analysis.

All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report. (Tab)

Operator's Final Report.

Interim Reports.

On-site Exam Report(s). (Tab)

Settlement Sheets.

If additional folders are required because of volume of records, show folder numbers and contents below:

Maps in folder number _____

Operator's Monthly Reports in folder number _____

7973

_____
Reviewer's Initials

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of

Goldfield Consolidated Mines Company
One Montgomery Street
San Francisco, California

pertaining to Exploration Project Contract No. Idm-885, Docket No. DMA 1654I (including Amendments Nos. 1 and 2) for the months of August, September, October, November and December 1951 (contract dated July 26, 1951 and terminated July 22, 1952) covering a project for the exploration of lead and zinc.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, consultation with the Government representative who visited and examined the project, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reasons:

1. The administrative cost to the Government of an audit would be excessive in relation to the estimated amount of possible disallowances thereunder;

2. Monthly reports were supported by documentary proof of costs of major items incurred under the contract;

3. Major portion ($6053.88) of the cost covered diamond drilling at rates specified in the contract.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by contractor	$7,343.88
Exceptions	none
Total accepted cost	$7,343.88

The contract calls for a 50 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Three thousand six hundred seventy one and 94/100 Dollars

$3,671.94

is considered valid and proper.

March 11, 1953

C. A. Turner, Auditor

Government Copy
Rad. Zinc

TERMINATION OF EXPLORATION PROJECT CONTRACT BY AGREEMENT
AFTER COMMENCEMENT BUT BEFORE COMPLETION OF THE WORK

It is agreed this 22nd day of July, 1952, between the United States of America, acting through the Depatment of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and The Goldfield Consolidated Mines Company
One Montgomery Street
San Francisco 4, California

hereinafter called the "Operator," parties to that certain Exploration Project Contract I-dm-E 85, Docket No. DMEA- 1654X, dated July 26, 1951, that the said contract shall be and is hereby terminated as of the first date above written.

Any work prosecuted or costs incurred by the Operator after the date first above written shall be for the sole account of the Operator, except for (a) such necessary and reasonable costs and expenses as may be incurred in preserving and disposing of any facilities, buildings, fixtures, equipment, or other items, to the cost of which the Government has contributed and in which the Government has an equity, and (b) the costs of any reports, accounts, and winding-up and settlement actions provided for in the contract.

The undersigned Operator hereby releases and agrees to save harmless the Government from all claims and demands under or arising out of said Exploration Project Contract, except as herein expressly otherwise provided.

Witness the following signatures as of the day and year first above written.

UNITED STATES OF AMERICA
A. E. Weissenborn
By A. E. Weissenborn, Ex.Offic.Field Team, Reg.II

The Goldfield Consolidated Mines Company
(Operator)
By Esley A. Juhasi

18262-1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 15 1952

E85.

Wash
Dmea 1654
Contracts & Audit Copy

AMENDMENT NO. 2

It is agreed this 14 day of February 1952, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and The Goldfield Consolidated Mines Company, One Montgomery Street, San Francisco 4, California

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E85 of July 26, 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be January 24, 1952.

This amendment is made by authority granted the Executive Officer, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Executed in sextuplicate the day and year first above written.

Goldfield Consolidated Mines Company
(Operator)

By J. Higgins Rothery

The United States of America

By M. E. Volin
M. E. Volin
Acting Executive Officer, DMEA
Field Team, Region II

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 3 - 1952

Rec'd by Division HB 2/6/52

Docket DMA-1654x

Goldfield Consolidated Mines Company

Exploration Contract Idm-E85

AMENDMENT NO. 2

Exhibit "F"

The total time in which the contract is to be brought to completion is to be changed from six months to fifteen months. Therefore, that part of the statement beginning with the fourth line in section 3 of the contract is to be changed to read "properly designed to bring the project to completion within a period of fifteen (15) months from the date of this contract".

DEFENSE MINERALS ADMINISTRATION WASHINGTON, D. C.
OCT 12 1 58 PM '51

AMENDMENT NO. 1

It is agreed this 3rd day of October 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration and The Goldfield Consolidated Mines Company, One Montgomery Street, San Francisco 4, California

each acting in consideration of the agreement of the other to the terms hereinafter set forth, that the Exploration Project Contract Idm-E85 of July 26, 1951 between the parties hereto be modified and amended as described in Exhibit "F", attached hereto, which, with any maps or drawings attached thereto, is made a part of this agreement. The effective date of this amendment shall be October 3, 1951.

This amendment is made by authority granted the Executive Officer, DMA Field Team, Region II in Order No. 2653 by the Acting Secretary of the Interior.

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate total amount which the Government may be obligated to pay, or the percentage of costs which the Government may be obligated to pay, under the provisions of Article 13 of the contract form.

Executed in sextuplicate the day and year first above written.

The Goldfield Consolidated Mines Company
(Operator)

By T. Higginbotham

The United States of America

By W E Wolin
Acting Executive Officer
DMA Field Team, Region II

Cont. Serv. Sec.
Change Order
Noted S.M.L.
Reviewed

Docket DMA-1654X
Contract Idm-E85

EXHIBIT "A"

AMENDMENT NO. I

Two vertical diamond-drill holes are to be drilled from the surface on the Sierra Zinc Mine property to explore for the same possible ore horizons that were the objectives of the originally proposed diamond-drill holes from the underground station as set forth under Item 5, Exhibit "A", of contract Idm-E85. The location and length of these two diamond-drill holes, designated as 4a and 5a, are shown on the accompanying map.

MF-200
(April 1951)

Docket No. DMA 1654X
Commodity Lead-Zinc
Idm-E85

Indexed
No. Card
Card
Reviewed 8/22/51

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

EXPLORATION PROJECT CONTRACT [1]

It is agreed this 26 day of July, 1951, between the United States of America, acting through the Department of the Interior, Defense Minerals Administration, hereinafter called the "Government," and [2] The Goldfield Consolidated Mines Company
One Montgomery Street
San Francisco 4, California

hereinafter called the "Operator," as follows:

1. *Authority for contract.* This agreement is entered into under the authority of the Defense Production Act of 1950, pursuant to Mineral Order 5, entitled "Regulations Governing Government Aid in Defense Exploration Projects."

2. *Operator's property rights.* The exploration project shall be conducted on that certain property situated in the State of Washington, County of Stevens described as follows: [3] six unpatented quartz lode mining claims known as Blue Ridge group, Sierra Zinc Mine, in sec. 19, 20, T. 38 N., R. 41 E., W.M.

with respect to which the Operator represents and undertakes: [4]

(*a*) That he is the sole owner, in possession and entitled to possession, and that the property is subject only to the following claims, liens, or encumbrances as to each of which the subordination agreement of the holder is attached: No claims, liens or encumbrances.

(*b*) ~~That he is a lessee, in possession and entitled to possession, and the subordination agreement of the lessor is attached.~~

3. *Exploration project.* The Operator, within thirty (30) days from the date of this contract shall commence work on a project of exploration for [5] Lead-Zinc; shall prosecute the work efficiently, expertly, in a workmanlike manner, in accordance with good mining standards, with suitable and adequate equipment, materials, and labor, all properly designed to bring the project to completion within a period of [6] six (6) months from the date of this contract. The exploration project and the work to be performed are more fully described on Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, is made a part of this contract.

4. *Performance of the work.* The work shall be performed by the Operator, under his sole direction and control: *Provided,* That with the consent of the Government and its written approval of the contract or contracts, all or any part of the work may be performed by the Operator through contract or contracts with independent contractors. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

5. *Fixtures and improvements.* The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof. Attached hereto, marked "Exhibit 'B'," is a detailed list of additional facilities, buildings, and fixtures, to be purchased, installed, or erected by the Operator, with the estimated cost of each, to which the Government will contribute its agreed pro-rata share of the cost. The difference between the cost of such additional facilities, buildings, or fixtures, and the salvage value thereof at the conclusion of the work, shall be charged to the cost of the project to which the Government has contributed its pro-rata share.

6. *Operating equipment.* Attached hereto, marked "Exhibit 'C'," is a detailed list of operating equipment divided into categories of items to be rented, purchased, or furnished by the Operator, with the allowable rental, purchase price, or rental value, as the case may be, annexed to each. As to equipment purchased for the project, the Government will contribute its agreed pro-rata share of the cost thereof, and the difference between the cost and the salvage value at the conclusion of the work shall be charged to the cost of the project to which the Government has contributed its pro-rata share.

---

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property. Supplement No. 1, dated 10-3-51 Attached 11-5-51
[4] Strike out the provision not applicable.
[5] Name of mineral.
[6] Not in excess of 2 years.

16—64066-1

7. *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, and other items costing more than $50 each, paid for or purchased with funds contributed jointly by the Operator and the Government, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the termination of the contract, if they have any salvage value, shall be disposed of for their joint account unless the Government, in writing, waives its interest in any such items. The Government may require the dismantling, severance from land, and removal of any such items in order to realize its interest in the salvage value thereof, and the cost of any such removal and of the disposal of the items shall be for the joint account of the parties in proportion to their respective interests.

8. *Labor and supervision.* Attached hereto, marked "Exhibit 'D'," is an itemized schedule of labor, by numbers and classes (miners, muckers, millmen, etc.), and of supervisors, by numbers and positions, with the maximum wages or salaries that may be paid to each as an allowable cost of the project.

9. *Rehabilitation and repairs.* Attached hereto, marked "Exhibit 'E'," is a detailed schedule of existing facilities, buildings, installations, and fixtures, with a statement of the cost of any necessary rehabilitation or repairs to put into useful and operable condition, which cost shall be allowed as a cost of the project.

10. *Allowable costs of the project.* The allowable costs of the project in which the Government will participate are limited to the necessary, reasonable, direct costs of performing the exploration work, including the costs of materials, supplies, engineering, power, water, and utilities, including items of equipment costing less than $50 each; and the costs referred to in Articles 5, 6, 8, and 9, and the exhibits annexed to and referred to in the contract. Although the Government may pay part of the cost of new or additional facilities, structures, buildings, and equipment, only the depreciation on such items, computed as indicated in Articles 5 and 6, will be charged as a cost of the project. No items of general overhead, corporate management, interest, or any other indirect costs not expressly allowed by these regulations, or work performed or costs incurred before the date of this contract, shall be allowed as costs of the project in which the Government will participate.

11. *Participation by the Government.* At the end of the first full calendar month after the Operator has commenced work under the project, and at the end of each succeeding calendar month, the Operator shall submit to the Government a voucher for payment with a detailed statement of work done and allowable costs (as defined in Article 10 of this agreement) incurred, in a form and with supporting data acceptable to the Government. After approving the voucher, the Government shall pay to the Operator 50 percent of the sum of such costs incurred; *Provided*, That the aggregate total of all sums paid by the Government under this agreement shall not exceed $11,527.50, which is 50 percent of the agreed estimated total cost of this project, $23,055.00.

12. *Accounts and audits.* The Operator shall keep suitable records and accounts of operations, which the Government may inspect and audit at any time. The Government may at any time require an audit of the Operator's records and accounts by a certified public accountant, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract.

13. *Progress reports.* The Operator shall provide the Government with monthly reports of progress in form and content satisfactory to the Government, and upon the completion of the project or termination of the contract shall provide the Government with a comprehensive geologic and engineering report, including an estimate of ore reserves, to the best of his ability. Four copies of all reports shall be furnished to the Government.

14. *Repayment by Operator.* If, upon the completion of the exploration project or termination of the contract, the Government considers that a discovery or development has resulted from the work from which commercial production of ore may be made, the Government, within 6 months thereafter shall so certify to the Operator, particularly describing and delimiting its estimate of the discovery or the development. Thereafter, if and as ore is produced as a result of such discovery or development, the Operator and his successor in interest shall be and become obligated to pay to the Government a percentage royalty on the net smelter returns or other net proceeds realized from such ore, concentrates, or metal produced within ten (10) years from the date of this contract, until the total amount contributed by the Government, without interest, is fully repaid or said 10 years have elapsed, whichever occurs first, as follows:

Of net smelter returns or other net proceeds not in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent.

Of net smelter returns or other net proceeds in excess of eight dollars ($8.00) per ton of ore: One and one-half (1½) percent, plus one-half (½) percent additional for each full fifty cents ($0.50) in excess of eight dollars ($8.00) per ton of ore, but not in excess of a maximum of five (5) percent.

This obligation to repay from net returns or proceeds shall be and remain a claim and lien upon the property which is the subject of the exploration project and upon any production resulting from such discovery or development, in favor of the Government, until fully paid, or until said 10-year period has elapsed; and this claim and lien and the Government's right to repayment shall survive any termination of the contract, whether by completion of the exploration project or otherwise. This article is not to be construed as imposing any obligation on the Operator or his successor in interest to produce ore from any such discovery or development.

15. *No assignment of contract.* Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder.

16. *Termination and completion.* The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worthwhile discovery and in the opinion of the Government further operations are not justified. Upon the completion of the project or any termination of the contract the Operator shall render to the Government a full and final accounting of his operations under the contract and his expenditures of money; shall dispose of any unused materials, supplies, and equipment for the joint account of the Operator and the Government in the proportion of their respective interests; and shall pay to the Government its pro-rata share of any money remaining.

Executed in triplicate the day and year first above written.

The Goldfield Consolidated Mines Company
(Operator)

By Esley A. Julian
Vice President and General Manager

THE UNITED STATES OF AMERICA

By C. O. Mittendorf
C. O. Mittendorf, Director
Production Expansion Division

U. S. GOVERNMENT PRINTING OFFICE 16—64066-1

DMA Docket No._____
Commodity: Lead-Zinc

Goldfield Consolidated Mines Company
Exploration Project Contract, Sierra Zinc Mine

Exhibit "A"

Exploration project

Time Schedule

Month	
1st	1. From the Main level, drive a 60-foot cross-cut and open a diamond drilling station as shown on the attached underground map.
1st	2. Drill two surface diamond drill holes in order to intersect the vein exposed at 10,380 E., 9,035 N., both holes to be vertical. Hole No. 1 to be at 10,360 E., 9,060 N., will intersect the vein at a vertical depth of about 190 feet.
1st	3. Drill surface diamond drill hole No. 3 at 9,550 E., 10,400 N. in order to determine the presence of marble horizons down to the elevation of the Main level, a total of about 200 feet.
2d, 3d, 4th	4. Drive 25° inclined raise from sub-level stope along the vein to the surface, an estimated 290 feet. The raise to be stopped 30 feet after entering granite.
2d, 3d	5. From the underground station the following diamond drill holes will be drilled. These are shown in plan on the attached underground map.

a. Drill hole No. 4, bearing S. 7° E., dip 14° down. This hole is to be used in searching for a lost segment of the west ore body. Total length, 80 feet.

b. Drill hole No. 5, bearing S. 12° E., dip 34° up. This hole is to be used searching for a lost segment of the west ore body. Total length, 130 feet.

c. Drill hole No. 6, bearing S. 43° E., dip 18° up. This hole is to be used in exploring ground to the elevation of the sub-level, or about 60 feet above the Main level. A total length of 225 feet.

d. Drill hole No. 7, bearing S. 60° E., dip 19° up. This hole is to be used in exploring ground to the elevation of the sub-level or about 60 feet above the Main level. Total length, 180 feet.

e. Drill hole No. 8, bearing N. 71° E., dip 0°. This hole is to be used in searching for marble horizons in the hanging wall of the No. 1 fault at the elevation of the Main level. Total length, 135 feet.

f. Drill hole No. 9, bearing N. 71° E., dip 31° up. This hole is to be used in searching for marble horizons up to 80 feet above the Main level. Total length, 155 feet.

The work to be performed and the estimated cost is as follows:

1.	Raise 290 feet at $40.00/ft. (includes all costs not elsewhere specified)	$11,600.00
2.	Crosscut 60 feet and open 15' X 15' station. Equal to 100 feet of crosscutting at $25.00/ft. (includes all costs not elsewhere specified.)	2,500.00
3.	450 feet of diamond drilling from surface at $5.00 per foot.	2,250.00
4.	905 feet of drilling from underground station at $6.00/ft.	5,430.00
5.	Equipment to be purchased	1,275.00
		$23,055.00

DMA Docket No._____
Commodity: Lead-Zinc

Goldfield Consolidated Mines Company
Exploration Project Contract, Sierra Zinc Mine

Exhibit "B"

None

DMA Docket No._____
Commodity: Lead-Zinc

Goldfield Consolidated Mines Company
Exploration Project Contract, Sierra Zinc Mine

Exhibit "C"

Operating equipment

To be purchased	Cost
1700 ft. of electric cable $00.75/ft.	$1,275.00

To be furnished

	Replacement Cost*	Rental Period	Monthly Rental Allowance	Total
Compressor, 410 cu. ft., electric	$8,000.00	4 mon.	$248.00	$992.00
Stoper, R.D. 48	700.00	3 "	27.00	81.00
Liner	800.00	1 "	25.00	25.00
4 mine cars, 20 cu. ft.	400.00	4 "	16.00	64.00
Trammer, Mancha	4,500.00	4 "	158.00	632.00
Slusher, 15 H.P., electric	1,500.00	3 "	47.00	141.00

* Replacement cost used to determine maximum monthly rental allowance.

DMA Docket No._____
Commodity: Lead-Zinc

Goldfield Consolidated Mines Company
Exploration Project Contract, Sierra Zinc Mine

Exhibit "D"

Labor and supervision	Rate per shift
4 Miners	$12.60
1 Trammer	12.60
1 Foreman	13.16
Engineer ($\frac{1}{4}$ time)	158.00/month
Mechanic ($\frac{1}{2}$ time)	200.00/month
Bookkeeper-Storeroom keeper ($\frac{1}{4}$ time)	100.00/month

DMA Docket No._____
Commodity: Lead-Zinc

Goldfield Consolidated Mines Company
Exploration Project Contract, Sierra Zinc Mine

Exhibit "E"

Existing buildings	Condition
Office and warehouse	Good
Blacksmith shop	Good
250 ton flotation mill	Good
Bunkhouse	Good
Cook shack	Good
2 cabins	Good

All usable, no repairs necessary.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

Dma 1654
Lead. Zinc

So. 157 Howard Street
Spokane 4, Washington

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 7 1952

February 1, 1952

Chairman, Operating Committee
DMEA
Department of Interior
Washington 25, D. C.

Re: Exploration Project
Contract Idm-E85, Goldfield Consolidated
Mining Company

Dear Sir:

Enclosed are the original and two copies of an approval for a sub-contract between Goldfield Consolidated Mining Company and Boyles Bros. Drilling Company, Salt Lake City, Utah.

One copy of the approval has been forwarded to the Operator, one copy to the DMEA Fiscal Officer, Albany, Oregon, and one copy retained at this office.

Sincerely yours,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
For: A. E. Weissenborn,
Executive Officer, DMEA
Field Team, Region II

Enclosures.

Contracts & Audit Copy

APPROVAL

Contract dated August 18 19 51, between Boyles Bros. Drilling Co., Salt Lake City, Utah,

and Goldfield Consolidated Mining Co., Colville, Wash.

for carrying out certain specified work under the provisions of Exploration Project Contract Idm-E85 between the United States of America and Goldfield Consolidated Mines Company, 1 Montgomery St., San Francisco 4, Calif.

is hereby approved.

This approval shall not be construed to increase the estimated total cost of the project, the aggregate total amount that the Government may pay, or the percentage of the costs that the Government may pay, under the provisions of Article 13 of the Contract form.

Dated January 23 19 52.

The United States of America

By A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
DMEA Field Team, Region II

Boyles Bros. DRILLING COMPANY

DIAMOND DRILLING CONTRACTORS AND MANUFACTURERS

Phone 6-8555 1321 South Main
SALT LAKE CITY 4, UTAH

C O P Y

C O P Y

AUGUST 18, 1951

GOLDFIELD CONSOLIDATED MINING CO.
COLVILLE, WASHINGTON

ATTENTION: MR. R. V. QUINE

GENTLEMEN:

IN RESPONSE TO YOUR TELEPHONED INQUIRY REGARDING DRILLING RATES AT THE SIERRA ZINC MINE, WE ARE SUBMITTING THE FOLLOWING FOR YOUR APPROVAL.

UNDERGROUND:

	EX	AX
0 TO 150	$3.25	$3.75
150 TO 300	$3.75	

REAMING: EX TO AX $1.25 PER FOOT

CEMENTING: $5.75 PER HOUR, PLUS CEMENT OR CEMENT SUBSTITUTE

SURFACE:

MOBILIZATION AND DEMOBILIZATION $200.00

	EX	AX	BX
0 TO 200	$3.75	$4.25	$4.75
200 TO 400	$4.25	$4.75	

REAMING: $1.40 EX TO AX
$1.75 AX TO BX

CEMENTING: $6.00 PER HOUR, PLUS CEMENT OR SUBSTITUTE

THE ABOVE RATES ARE BASED ON THE COSTS OF 2091 FEET OF UNDERGROUND DRILLING DONE IN 1948. WE FOUND WE HAD MUCH LOWER FOOTAGE AND HIGHER DIAMOND LOSS THAN ON OTHER PROPERTIES IN THE AREA.

WE WISH TO THANK YOU FOR GIVING US THE OPPORTUNITY TO BID, AND TRUST YOU WILL FIND THE FOREGOING RATES SATISFACTORY.

VERY TRULY YOURS,

A. F. GOLDSWORTHY
FIELD MANAGER

Form MF-103
(April 1951)

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. dma 1654 X

Date received 6-8-51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 8 - 1951
LANDON F. STROBEL
Executive Secretary

The Goldfield Consolidated Mines Company
Deep Creek Project
Aladdin Route
Colville, Washington

Name and address of applicant

Date May 29, 1951

FILL IN THIS BLOCK

Date of application May 29, 1951

Estimated cost ~~$100,000.00~~ $25,000.00

Mineral or metal Zinc-Lead

Percentage of Government participation 50%

Location of mine Stevens County

Sierra Zinc Mine

Date of filing MF-100 May 21, 1951

DMA Docket Number, if available DMA 1654 X

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

For answers to the following questions See schedule attached

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

For answers to the following questions Please see schedule attached

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

The Goldfield Consolidated Mines Co.
Deep Creek Porject
(Name of company)

By T. Higginbotham
T. Higginbotham
(Signature of authorized official)

May 29, 1951
(Date)

Manager
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

THE GOLDFIELD CONSOLIDATED MINES COMPANY
DEEP CREEK PROJECT
COLVILLE, WASHINGTON

ANSWERS TO QUESTIONS ON FORM MF-103

1. Corporation

2. Not Applicable

3. T. Higginbotham, Manager of Deep Creek Pfoject

4. The applicant has had years of experience in the mining field. The manager of this project has successfully operated the property for several years, before selling.

5. Yes

6. There are no claims, liens or encumbrances, against the property

7. Not applicable

8. Attached

9. The applicant is prepaired to invest the necessary amount in the proposed project, which is sufficient to pay our part of the cost as detailed in question No. 23 of this application form in accordance with the regulations on government participation (section 9 of mineral order 5.)

10. (a) Section 19, 20; Township 38; Range 41; State of Washington
(b) Same as above

11. Sierra Zinc Mine & Mill site, Formerly Blue Ridge.

12. This property is 19 miles south of Northport, Washington with good graveled roads. It is 24 miles North of Colville, Washington which is about halfway blacktop road and halfway good graveled road. The main shipping point is Northport, Washington.

13. We use water from Deep Creek at the Sierra Zinc Mill, there is plenty of water available, the main source of power is electricity.

14. There is a change house, shower and mechanical facilities at this property, there will be no necessity for any building improvements.

15. The ore would be trammed directly to the crushing bin of the mill and milled at this mill site.

16. Attached

17. The Sierra Zinc Mine is not in production.

18. Not Applicable

Continued on Page 2

THE GOLDFIELD CONSOLIDATED MINES COMPANY
DEEP CREEK PROJECT
COLVILLE, WASHINGTON

ANSWERS TO QUESTIONS ON FORM MF-103

19.

20. Zinc, and Lead Minerals

21. Our proposed development is to drill approximately 3,000 Feet of Diamond Drill Holes, complete about 300 feet of raise, and a 100 feet of drift. All this work is to be on a contract basis, to lessen the time and cost, also because the weather condition will make it hard to do surface drilling. This project will take approximately 2 years to complete.

22. Attached

23. Statement of requirements;

Diamond Drilling Contract 2300 Ft. @ 5.00	11,500.00
Raise Contract 300 Ft. @ 20.00	6,000.00
Drift Contract 100 Ft. @ 20.00	2,000.00
Mine Manager	1,200.00
Bookkeeper	700.00
Electricity for power	3,600.00
	$25,000.00

24. It will take approximately 8 months to complete the actual work on this project.
For each month of operation the cost will be arount $3100.00.

THE GOLDFIELD CONSOLIDATED MINES COMPANY
DEEP CREEK PROJECT

BALANCE SHEET AS OF April 30, 1951

ASSETS

CURRENT ASSETS:	
Cash in Bank-General Fund	$ 7,862.43
Payroll Fund	1,000.00
	8,862.43
Accounts Receivable	
Smelter	43,198.48
Zinc Concentrate Stockpile	34,000.00
Prepaid Insurance	5,297.65
	91,358.56
PROPERTY, PLANT AND EQUIPMENT:	
Prepaid Mining Expense (grouting)	13,911.85
Mineral Lands	322,313.10
Less Reserve for Depletion	124,335.59
	197,977.51
Cost of Plant & Equipment 12-31-50	273,008.02
Less Reserve for Depreciation	156,705.76
	116,302.26
Less Adjustment on trade in of 1948 GMC	2,148.26
Additional Equipment in 1951	33,083.32
Total Property, Plant & Equipment	359,126.79
TOTAL ASSETS:	$450,485.35

LIABILITIES

CURRENT LIABILITIES:	
Accounts Payable	24,239.93
Wages Payable	7,444.66
Accrued Taxes Payable	
FOAB	526.61
State Unemployment	473.94
Industrial Insurance & Medical Aid	803.18
Withholding Tax	1,747.70
Property Tax	60.00
	35,296.02
RECONVEYANCE OF ROYALTY INTERESTS	107,842.67
HOME OFFICE ACCOUNT	269,547.42
GAINS YEAR TO DATE	37,799.24
TOTAL LIABILITIES AND CAPITAL	$450,485.35

THE GOLDFIELD CONSOLIDATED MINES COMPANY
DEEP CREEK PROJECT

PROFIT AND LOSS FOR PERIOD ENDING April 30, 1951

SCHEDULE (A) INCOME:	
Lead Smelter Return	31,351.87
Zinc Smelter Return	160,504.87
	191,856.74
Total Smelter Return	
Zinc Concentrate Stockpile (estimate)	34,000.00
	225,856.74
TOTAL INCOME	
SCHEDULE (B) OPERATING EXPENSES:	
MINING EXPENSE	
Labor	47,205.90
Supplies	6,100.97
Explosives	16,975.07
Timbers & Lumber	831.38
Diamond & Blast Hole Drilling	10,821.30
Grouting	1,252.04
Power, Light, Fuel, Water	8,736.40
Equipment Hire	334.75
Repairs & Mainteneance	8,689.55
General Freight	625.67
	101,573.03
MILLING:	
Labor	14,736.13
Reagents & Grinding Media	4,161.95
Power, Light, Fuel, Water	5,872.28
Repairs & Maintenance	10,644.16
General Freight	1,020.53
	36,435.05
TRANSPORTATION OF CRUDE ORE:	
Labor	8,427.95
Repairs & Supplies	6,090.08
Gas & Oil	4,997.91
Tires & Tubes	3,546.79
	23,062.73
TRANSPORTATION OF CONCENTRATES	7,804.07

THE GOLDFIELD CONSOLIDATED MINES COMPANY
DEEP CREEK PROJECT

PROFIT AND LOSS FOR PERIOD ENDING April 30, 1951

SCHEDULE (B) OPERATING EXPENSES

GENERAL AND ADMINISTRATIVE:	
Managers Salary	$ 2,964.19
Office Salaries	1,766.20
Office Supplies	176.49
Telephone & Telegraph	941.78
Insurance	2,400.00
Social Security	1,124.82
State Unemployment Compensation	2,025.01
Ind. Ins. & Med. Aid	2,657.53
State of Washington Excise Tax	291.20
Sales Tax on Capital Items	1,042.28
Taxes & Licenses	20.50
Travel Expense	1,962.21
Engineering Service	100.00
Legal Expense	540.00
Sampling & Assaying	1,240.10
Miscellaneous Expenses	100.44
	19,252.75
OTHER INCOME:	
Cash Discounts	70.13
TOTAL SCHEDULE (B)	188,057.50
GAINS	$37,799.24

~~Home~~ Mrs Strobel

The Goldfield Consolidated Mines Co.

Aladdin Route
Colville, Washington

Deep Creek
Project

May 21, 1951

The Defense Minerals Administration
Department of Interior
Washington 25, D.C.

Gentlemen:

Enclosed herewith are Four copies of Form MF-100.

We are submitting these in order to obtain a serial number in accordance with the provisions of MO-7.

Very truly yours

THE GOLDFIELD CONSOLIDATED MINES CO.

E.W. Dietzman

E.W. Dietzman, Office Mgr.

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration

MAY 25 1951
Executive Secretary

2.

Form MF-100
(March 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Form approved.
Budget Bureau No. 42-R1026.

GENERAL TECHNICAL DATA
FOR USE UNDER THE
DEFENSE PRODUCTION ACT OF 1950

NOT TO BE FILLED IN BY APPLICANT

Docket No. DMA-1654X

Date received DMA 0262

35520

The Goldfield Consolidated Mines Company
Aladdin Route
Colville, Washington

Name and address of applicant

Date May 21, 1951

INSTRUCTIONS

This form is to be filed with Defense Minerals Administration, Department of the Interior, Washington 25, D. C. It should be accompanied by appropriate application form when a specific type of Government assistance is requested, in the form of (1) loan, (2) purchase contract, (3) Government guarantee of a private loan, (4) Necessity Certificate pursuant to the provisions of Sec. 124-A (Amortization Deduction) of Internal Revenue Code, 1950, (5) priorities or allocation of mining equipment, and maintenance, repair and operating supplies, and (6) other forms of Government assistance that might arise under the Act. Submit four (4) signed copies of the form and accompanying papers. Name and address should be stamped or typed on each sheet of this form and all accompanying papers. *When a question is inapplicable it should be so stated on the form.* Additional sheets may be attached in answering any questions or in supplying additional information. (IF YOU CANNOT ANSWER A QUESTION, SO STATE.) If a question is answered elsewhere indicate where answered. It is not necessary to answer it again.

GENERAL TECHNICAL DATA

Supply the following information on separate sheets, arranged, numbered, and lettered as indicated:

1. Materials produced:
   (*a*) What are the chief mine, mill, or smelter products? See Schedule Attatched
   (*b*) What are the byproducts, if any?
2. Name(s) and type(s) of mine(s), mill(s), smelter(s), refinery(ies), pit(s), quarry (ies), drilling operation(s). Include old names of property, if any. Show extent of workings, including the following:
   (*a*) Linear feet of shafts. See Schedule Attatched
   (*b*) Linear feet of drifts and crosscuts.
   (*c*) Linear feet of tunnels or adits.
   (*d*) Linear feet of other mine openings (explain briefly).

   Indicate whether mine is flooded or not. Describe any pumping problems. Give size or productive capacity.
3. For each operation listed above supply the following: See Schedule Attatched
   (*a*) Distance and direction from nearest town and shipping point.
   (*b*) Mining district.
   (*c*) Township, Section, Range.
   (*d*) County, State.
4. (*a*) State whether or not property is now in operation, and if in operation, by whom operated. See Schedule Attatched
   (*b*) Are you operating this property as:
   - ☒ Owner.
   - ☐ Lessee.
   - ☐ Contractor.
5. Number of years in production Since July 1947 By The Goldfield Consolidated Mines Co.
   If not in production or operation, estimated date when production will begin _____
6. Experience of operators: See Schedule Attatched
   Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who manage the project.
7. History: See Schedule Attached
   (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for suspension of operation.
   (*b*) State briefly the known history and production of adjoining and neighboring properties.
   (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

8. Names and addresses of Officers, Directors, or Partners, and in addition thereto, the five largest stockholders if applicant is a corporation.

Name and Address (a)	Official Title (If officer is also director indicate by "D") (b)	Total of Annual Salary, Commissions, Bonuses, Etc., Received From Applicant and Affiliates During Last Fiscal Year (c)	Estimated Net Worth Outside of Interest in Applicant (d)	Number of Shares Held in Applicant Corporation: Common (e)	Number of Shares Held in Applicant Corporation: Preferred (f)	Life Insurance Carried for Benefit of Applicant: Amount (g)	Life Insurance Carried for Benefit of Applicant: Net Cash Surrender Value After Loans (h)
(information not Available at this Project)							
	Total		x x x x x			x x x x x	x x x x x

If more lines are needed continue on separate sheet.

9. Capital Stock Issues: (information not Available at this project)

For Corporate Applicants

Item	Authorized (a)	Outstanding (b)	Par Value (c)	Number of Shares Outstanding (d)	Dividend Rate Last Paid* (e)
Common stock	$	$	$		
Preferred stock	$	$	$		

*Indicate period covered.

10. Production:

Item	Kind of Product (a)	1948 Total (b)	1949 Total (c)	1950 Total (d)	Present Average Monthly (e)
1. Quantity of product mined or quarried (Short, long, metric tons; barrels; pounds; etc.) Dry Tons	Zinc & Lead Ore	50,421	45,439	46,980	280
2. Quantity of product processed (specify unit of measure and type of process) Dry Tons	Zinc & Lead Concentrates	11,706,086 3002293	4230800 629093	486039 609169	
3. Quantity and grade of product sold or shipped (specify units of measure)		Same as Item 2			

11. Do you contemplate a change in the present average monthly rate of production? If so, state estimated maximum monthly production and basis of change. See Attached Schedule

12. Ore or Mineral Reserves: See Attached Schedule

(a) Describe the ore or mineral deposit briefly. Accompany the application by any available report on the geology and ore reserves.

THE GOLDFIELD CONSOLIDATED MINES COMPANY
DEEP CREEK PROJECT
COLVILLE, WASHINGTON

ANSWERS TO QUESTIONS FOR GENERAL TECHNICAL DATA FOR
use under the defense production act of 1950

1. (a) Zinc & Lead Concentrates
   (b) None

2. ~~(a)~~ Deep Creek Underground Mine
   (a) 875 Linear Feet of Shaft
   (b) 4950 Linear Feet Drifts & Crosscuts
   (c) None
   (d) 600 Linear Feet of Raises
   Mine in operation, pumping problems are due to excessive amount of water; Productive capacity around 4500 Tons of crude ore per Month.

   Anderson Mine, Open pit mine.
   (a) Not Applicable
   (b) Not Applicable
   (c) Not Applicable
   (d) Open Pit 200 Ft. x 60 Ft. x 31 Ft.
   Mine is in operation

   Sierra Zinc Underground Mine and Mill Site
   (a) 150 Linear Feet of Shaft (flooded)
   (b) None
   (b) 2000 Linear Feet Tunnels
   (d) 100 Linear Feet Raises
   Sierra Zinc Mine is not in operation
   Sierra Zinc Mill is in operation , the productive capacity is around 250 to 300 Tons per day.

3. Deep Creek Mine
   (a) 9 Miles south from Northport, Wash.
   (b) Northwest
   (c) Section 26, Township 39, Range 40
   (d) Stevens County, Washington

   Anderson Open Pit Mine
   (a) 20 Miles Northeast from Northport, Wash.
   (b) Northwest
   (c) Sections 2,3,10,11 Township 39, Range 41
   (d) Stevens county, Washington

   Sierra Zinc Mine & Mill
   (a) 19 Miles South of Northport, Wash.
   (b) Northwest
   (c) Section 20, Towaship 38, Range 41
   (d) Stevens County, Washington

THE GOLDFIELD CONSOLIDATED MINES COMPANY
DEEP CREEK PROJECT
COLVILLE, WASHINGTON

ANSWERS TO QUESTIONS FOR GENERAL TECHNICAL DATA FOR
use under the defense production act of 1950

4. (a) The property is now in operation, by THE GOLDFIELD CONSOLIDATED MINES COMPANY.

(b) Answer is on Form MF-100

5. The Answer is on Form MF-100

6. (a) Unable to Answer
(b) The person who operates and manages the propertieshas been proven satisfactory and reliable, with years of mining to his credit.

7. (a) Unable to answer
(b) Unable to answer
(c) Unable to answer no such reports available

8. the Answer is on Form MF-100

9. The Answer is on Form MF-100

10. The Answer is on Form MF-100

11. There are no contemplated changes in production

12. Unable to answer or supply a report

13. Answered by question Number 3.

14. Our source of water supply id from Deep Creek, which has ample water for year around operation.

15. Power used is electricity from Stevens County Electric Cooperative

16. For Labor we have 1 Resident manager, 1 Bookkeeper, 1 Mine Superintendent, 2 Mine foreman 27 Miners and Muckers, 5 Truck drivers, 1 mill Superintendent, 4 millmen, 3 Crushermen, 1 Carpenter.

18. Not Applicable

17. All Equipment and buildings are in good condition, some major pieces of equipment are as follows.
2 300 Horsepower Electric driven water pumps
1 3/4 yard Lima gas Powered Shovel
3 11 yard Tandem drive gasoline powered Dump Trucks
3 Eimco Model 12 Mucking Machines
1 FM2 Wagon Drill

(*b*) If deposit is other than placer:

(1) Submit assay plans and/or sections showing location and size of proved (measured) and probable (indicated) ore or mineral reserve.

(2) State the tonnage (indicate type of ton) and grade of each class of ore reserve, as above, and show how computed. Tabulated total ore reserve as follows:

TOTAL ORE OR MINERAL RESERVES

Ore or Mineral Reserve	Estimated Tons (a)	Metal or Mineral Content Per Ton (Grade) (b)	Gross Value Per Ton (c)	Recoverable Unit Value Per Ton (d)	Estimated Cost of Production Per Ton (e)
Measured (proved)					
Indicated (probable)					

(*c*) If placer:

(1) Give estimated total yardage and average marketable mineral content of each deposit.

(2) Submit map showing location of placer deposit and surrounding area, with all test holes or pits. Submit logs of each hole and test pit with depth and average value of each.

(3) Describe gravel, stating whether fine, medium or coarse; loose, tight, cemented, or frozen, and whether it contains stumps or boulders more than 1 foot in diameter; if so, how large, and in what proportion.

(4) Describe bedrock, giving type (granite, sandstone, shale, etc.) and state whether it is hard or soft, smooth, uneven or rough.

(5) Describe overburden, stating whether loose, tight, or cemented; fine or coarse textured; furnish estimate of average thickness and total amount.

(6) Tabulate the reserves using the form outlined above for ore or mineral reserves.

13. Access Roads: **SeeAttached Schedule**

Give road distances to shipping, supply and residence points, stating kind and condition of roads.

14. Water Supply: **See Attached schedule**

State source and quantity of water available for operations and whether sufficient for all seasons of year.

15. Power: **See attached schedule**

State amount of power used, rate per hour, and source thereof.

16. Labor: **See attached schedule**

State number and classes (miners, muckers, millmen, etc.) of men employed during a recent representative payroll period.

17. Equipment and Facilities: **See attached schedule**

Describe present equipment on the property, including buildings. (State condition.) List major pieces of equipment now owned or controlled and in serviceable condition available for this operation.

18. Are there any particular conditions or circumstances affecting your operations that are not described above? If so, explain.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

THE GOLDFIELD CONSOLIDATED MINES COMPANY
(Name of company)

Deep Creek Project
Aladdin Routed
Colville, Washington 5/21/51
(Date)

By E. W. Dietman
(Signature of authorized official)

Office Manager
(Title)

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—63792-1

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. [illegible]
Idm-E

Name of Operator The Goldfield Consolidated Mines Company
Docket No. DMA 1654 X
Total Contract Amount $ 23,055.00
Government Participation: 50 % Amount, $ 11,527.50
Distribution of Expenditures for Month of December, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

The Goldfield Consolidated Mines Co.
(Name of Company)

By T. Higginbotham
(Signature of Authorized Official)

January 24, 1952
(Date)

President Manager
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor [3]						
5. Supervision	258.00	1032.00	1290.00			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work	882.25	5171.63	6053.88			
11. Other (specify)						
Total	1140.25	6203.63	7343.88			
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Elmer A. Mazzell
Amount approved for payment
Remarks

Engineer (½ time) 150.00/month
Bookkeeper-Storeroom
Keeper (½ time) 100.00/month

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF December 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes Boyles Bros. Drilling Contract				882.25	882.25	Ft.	188	941	1129	1355
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Supervision	250.00				250.00					
Totals	250.00			882.25	1132.25	Ft.	188	941	1129	1355

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 85

Name of Operator The Goldfield Consolidated Mines Company
Docket No. DMA 164 X
Total Contract Amount $23,055.00
Government Participation: 50 % Amount, $ 11,527.50
Distribution of Expenditures for Month of November, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

The Goldfield Consolidated Mines Co.
(Name of Company)

By J. Higgins Gotham
(Signature of Authorized Official)

January 21, 1952
(Date)

President Manager
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]						
5. Supervision	258.00	774.00	1032.00			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work	1668.00	3503.63	5171.63			
11. Other (specify)						
Total	1926.00	4277.63	6203.63			
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

Engineer (½ time) 150.00/month
Bookkeeper-Storeroom Keeper (½ time) 100.00/month

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Elmer A. Mazell
Amount approved for payment
Remarks

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF November, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes Boylan Bros. Drilling Contract				1663.00	1663.00	Ft.	353	503	921	1355
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Supervision	253.00				253.00					
Totals	253.00			1663.00	1916.00	Ft.	353	503	921	1355

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 85

Name of Operator The Goldfield Consolidated Mines Company
Docket No. DMA 165X
Total Contract Amount $ 23,055.00
Government Participation: 50 % Amount $ 11,527.50
Distribution of Expenditures for Month of October, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

The Goldfield Consolidated Mines Co.
(Name of Company)

By T. Higgins Bolthan
(Signature of Authorized Official)

January 21, 1952
(Date)

President Manager
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor [3]	[redacted]					
5. Supervision	258.00	516.00	774.00			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work	1229.75	1673.88	2903.63			
11. Other (specify)						
Total	2087.75	2189.88	4277.63			
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Elmer A. Mazzell
Amount approved for payment
Remarks

Engineer (½ time) 158.00/month
Bookkeeper-Storeroom Keeper (½ time) 100.00/month

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes — Boyles Bros. Drilling Contract				1329.75	1329.75	Ft.	203	300½	503½	1355
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) — Supervision	250.00				250.00					
Totals	250.00			1329.75	2087.75	Ft.	203	300½	503½	1355

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

FEB 18 11 17 AM

Contract No.
Idm-E 05

Name of Operator The Goldfield Consolidated Mines Co.
Docket No. DMA 164 X
Total Contract Amount $23,055.00
Government Participation: 50 % Amount, $11,527.50
Distribution of Expenditures for Month of September, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

Operators are to submit monthly reports to the designated field representative of the Defense Minerals Administration. Reports are to be submitted in quadruplicate prior to the 15th day of the month following the reporting period.

Narrative.—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered is to be furnished.

Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

The Goldfield Consolidated Mines Co.
(Name of Company)

By J. Hoggin Cotham
(Signature of Authorized Official)

January 21, 1952
(Date)

President Manager
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]	258.00	258.00	516.00			
5. Supervision						
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work	1181.88	492.00	1673.88			
11. Other (specify)						
Total	1439.88	750.00	2189.88			
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Elmer A. Mezell
Amount approved for payment
Remarks

Engineer (1/4 time) 158.00/month
Bookkeeper-timekeeper (1/4 time) 100.00/month

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF October, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes Boyles Bros. Drilling Contract				1181.88	1181.88	Ft.	232.5	68	300½	1355
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Supervision	258.00				258.00					
Totals	258.00			1181.88	1439.88	Ft.	232.5	68	300½	1355

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

MF-104
(August 1951)

Budget Bureau No. 42-R1036.2.
Approval Expires 6-30-52.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Contract No. Idm-E 85

FEB 18 11 17 PM '52

Name of Operator The Goldfield Consolidated Mines Company
Docket No. DMA 1652 X
Total Contract Amount $ 23,055.00
Government Participation: 50 % Amount $ 11,527.50
Distribution of Expenditures for Month of July 26th to August 31st, 1951

STRATEGIC AND CRITICAL MINERAL EXPLORATION PROGRAM
OPERATOR'S MONTHLY PROGRESS REPORT

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Maps.—Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

Cost Accounts.—All applicable parts of this form are to be filled in. This report will form the basis for payments of the Government's participating share of expenses. Audits of accounts may be made from time to time.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

The Goldfield Consolidated Mines Company
(Name of Company)

By T. Higginbotham
(Signature of Authorized Official)

January 21, 1952
(Date)

President & Manager
(Title)

NOTE.—Title 18, U. S. Code (Crimes), section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

16—64068-3

MONTHLY SUMMARY COST STATEMENT

List as Shown on Exhibits Attached to Contract

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only		
				Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
1. Fixtures and Improvements:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Fixtures						
2. Operating Equipment:						
(*a*) Purchased[1]						
(*b*) Rented[2]						
(*c*) Furnished by operator						
3. Rehabilitation and Repairs:						
(*a*) Facilities						
(*b*) Buildings						
(*c*) Installations						

MONTHLY SUMMARY COST STATEMENT—Continued

Item	Monthly Total	Totals Previously Reported	Totals to Date	For Government Use Only: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(d) Fixtures						
4. Labor[3]						
5. Supervision	258.00		258.00			
6. Supplies						
(a) Timber						
(b) Explosives						
(c) Repair Parts						
(d) Other						
7. Power						
8. Transportation						
9. Insurance						
(a) Fire						
(b) Public Liability						
(c) Workmen's Compensation						
10. Contract Work	492.00		492.00			
11. Other (specify)						
Total	750.00		750.00			
Deletions						
Adjusted totals						
Totals previously reported						
Totals to date						

[1] Enter amount paid during month toward total purchase price.
[2] Payments for rental of equipment or prorated depreciation on equipment owned by contractor.
[3] Submit copy of the Social Security form filed under the Old Age Insurance system showing complete wage and salary data or furnish copy of payroll sheet giving same data.

NOTE.—Indicate that portion of supervisory, office, and engineering salaries that is chargeable to this project.

FOR GOVERNMENT USE ONLY

Checked by
Entered by
Approved by Ellen A. Magill
Amount approved for payment
Remarks

Engineer (½) Time 158.00/month
Bookkeeper-Storeroom keeper (½ time) 100.00/month

16—64068-3

EXPLORATION UNIT COST AND PROGRESS REPORT FOR MONTH OF July 26, to August 25, 1951

(Supply Data Below Applicable Only to Your Operations)

Item	Costs					Progress [4]				
	Wages [1] and salaries	Equipment [2]	Supplies	Other [3]	Total	Unit	Units this month	Units previously reported	Units to date	Units authorized by contract (Exhibit A)
Drifting										
Crosscutting										
Raising										
Shafts										
Winzes										
Drill holes Boyles Bros. Contract				492.00	492.00	Ft.	60	None	60	1355
Overburden										
Rehabilitation and preparation										
Geology and geophysics										
Trenching										
Sampling and assaying										
Roads and trails										
Test pits										
Other (specify) Supervision	258.00				258.00					
Totals	258.00			492.00	750.00	Ft.	60	None	60	1355

[1] Prorate supervisory, engineering, and office salaries in proportion to man-shifts of direct labor.
[2] Prorate charges for equipment that is not exclusively for one type of job (such as compressors) against authorized units of work in each category.
[3] Where entries in the "Other" column (above) are more than 25 percent of the total expenditures, a breakdown of this item should be made.
[4] Specify whether feet, cubic feet, acres, miles, etc.

16—64068-3 U. S. GOVERNMENT PRINTING OFFICE

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code

PROJECT SUMMARY REPORT

By: J. W. Alt July 21, 1958

1. Docket No. DMEA-1654X (Lead-Zinc)
Contract No. Idm-E85
Property: Sierra Zinc Mine
Stevens County, Washington

Operator: The Goldfield Consolidated Mines Company
One Montgomery Street
San Francisco 4, California

Operator's Property Rights: Owner

2. Contract dated July 26, 1951. To complete - 6 months.

Work Authorized

(1)	Raise 290 feet from sub-level stope to surface @ $40/ft.	$11,600.00
(2)	Crosscut 60 feet and open 15'x15' diamond drill station, 100 feet @ $25/ft.	2,500.00
(3)	450 feet of diamond drilling from surface @ $5/ft.	2,250.00
(4)	905 feet of diamond drilling from underground station @ $6/ft.	5,430.00
(5)	Equipment to be purchased	1,275.00
	Total	$23,055.00

Amendments

No. 1 Effective October 3, 1951

Change in the description of the work.

No. 2 Effective January 24, 1952.

Completion time extended from 6 months to 15 months.

Work Completed

1,139.5 feet of diamond drilling	$6,053.88	Cost per foot $5.31
Supervision	1,290.00	Cost per foot 1.13
Total	$7,343.88	Cost per foot $6.44

Drilling was started in August, 1951 and suspended in December, 1951. The project by mutual agreement was terminated July 22, 1952.

3. Report of Review dated March 11, 1953.

Total cost as billed by Contractor	$7,343.00
Exceptions	0.00
Total Accepted Cost	$7,343.00
Government Participation @ 50%	$3,671.50

Operator's final report - waived, letter of March 11, 1953.
Field Team final report dated April 2, 1953.

4. Certification date: No certification of Discovery or Development was made as the work of the project was unsuccessful in discovering ore.

5. Comments

The performance of the work was satisfactory.

The Sierra Zinc Mine has produced more than 50,000 tons of commercial ore. This came mainly from mineralized marble strata. No specific control for lateral extensions of the ore in the marble has been found. The work completed under the contract did not find ore but did indicate extensions of the marble stratum. The holes were placed at locations too distant from each other to positively insure that ore bodies do not exist in the intervals between; consequently, the work did not conclusively prove that the mined-out ore bodies do not have extensions. It is believed that further exploration can be outlined to search for ore bodies.

Although the work did not find any ore, the considerable former production from the property indicates that further geologic

investigations being undertaken by the Operator may uncover evidence to justify renewed exploration. Such evidence might become the basis of an application for another exploration project at the property, for which additional Government participation might be favorably considered.

J. W. Alt

JWAlt/ss 7/15/58
Copy to: Docket
Chron.

[X] Audited | WORK ANALYSIS SHEET - DMEA PROJECT | [X] Actual Cost

[ ] Certified | Analysis as of 12/3/54 Incl. Voucher for December 1951. | [ ] Agreed Unit Costs

Name Goldfield Consolidated Mines Co. Docket No. DMEA-1654X

State Washington Commodity Lead-Zinc Idn-E No. 85

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	60'	$2,500.00	0		
Raising	290'	11,600.00	0		
Shafts					
Winzes					
Drilling (Specify)	1355'	7,680.00	1129.5'	$7,343.88	$7,343.88
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased		1,275.00			
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.					
Other (Specify)					
Totals		$23,055.00		$7,343.88	$7,343.88

Prepared by [illegible]

January 20, 1955

Memorandum

To: Chief, Contract Administration & Audit Division

From: Chief, Base Metals Division

Subject: Contracts for which no closing letters will be prepared.

The following is a list of contracts for which no closing letters will be prepared, due to the fact that they are cases which have been either terminated or completed before December 1952. This cut-off date was established in accordance with instructions contained in the Administrator's memorandum to Division Chiefs, dated February 18, 1953.

Docket No.	Contract No.	Operator
1145	E- 11	Dodgeville Mining Company
344	20	Ike W. Kusiste
1118	45	Bootman and Boswell Mining Company
789	71	Erickson and Baer
32	75	Lee S. Heller
1654	85	The Goldfield Consolidated Mines Co.
1425	128	Pittsburg Silver Mining Company
1397	158	American Zinc, Lead & Smelting Co.
1132	166	Albert Dance and Jewell Dance
2108	327	Amadee A. Peugnet
2333	341	Carr Mining Company, Inc.

W. R. Griswold

WRG/er
Copy to: Docket (11)
Base Metals (11)
Chron.

W. R. Griswold

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
So. 157 Howard Street
Spokane 4, Washington

June 10, 1953

Mr. George C. Selfridge, Chairman
Operating Committee, DMEA
Department of the Interior
Washington 25, D. C.

Re: Docket No. DMEA-1654X (Lead-Zinc)
Goldfield Consolidated Mines Co.
S Zierra Zinc Mine
Stevens Co., Washington
Contract No. Idm-E85

Dear Mr. Selfridge:

Enclosed are four copies of the Final Report on the subject property prepared by E. A. Magill, Mining Engineer, U. S. Bureau of Mines, and Willard P. Puffett, Geologist, U. S. Geological Survey, dated April 2, 1953.

It has been recommended that no Certification of Discovery be declared for work completed under terms of the contract. The Field Team concurs with this recommendation of the Field Team examiners.

By DMEA Field Team, Region II

A. E. Weissenborn

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

M. E. Volin

M. E. Volin, Member
(U. S. Bureau of Mines)

Reviewed by
DMEA OPERATING COMMITTEE

6-19-53
(date)

Enclosures
Distribution:
DMEA(Orig.&2)
USBM(2)
Puffett
Docket

FINAL F.I. RPT.

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM, REGION II

GES
2/9/54

FINAL REPORT

Contract Idm-E85

by

E. A. Magill
Mining Engineer
U. S. Bureau of Mines

Willard P. Puffett
Geologist
U. S. Geological Survey

GOLDFIELD CONSOLIDATED MINES COMPANY
San Francisco, California

Docket No.:	DMEA 165WX
Commodity:	Lead-Zinc
Contract date:	July 26, 1951
Completion date:	July 22, 1952

SIERRA ZINC MINE
NORTHPORT MINING DISTRICT
Stevens County, Washington

Reviewed by
DMEA OPERATING COMMITTEE
6-19-53
(date)

Spokane, Washington

April 2, 1953

FINAL REPORT

GOLDFIELD CONSOLIDATED MINES COMPANY
Sierra Zinc Mine
Northport Mining District
Stevens County, Washington

Contract Idm-285

* * * *

INTRODUCTION

Authorship

The section on Property, Exploitation Possibilities, and Annexes A and B were written by E. A. Magill, Mining Engineer, U. S. Bureau of Mines. The section on Geology was written by Willard P. Puffett, Geologist, U. S. Geological Survey. All other sections are the joint contribution of the two authors.

Summary

An exploration project contract was entered into on July 26, 1951, with Goldfield Consolidated Mines Company to explore for extensions of known lead-zinc ore bodies which occur in marble strata in the Sierra Zinc Mine, Stevens County, Washington.

Contract work consisted of a total of 1,139.5 feet of diamond drilling from four surface locations. Marble strata were intersected in each of the holes, but no ore was indicated as a result of the work. The contract was terminated by mutual agreement between the Government and the Operator on July 22, 1952, before the project as originally outlined was completed.

It is recommended that no Certification of Discovery be declared for work completed under terms of the contract. Although the work did not find any ore, the considerable former production from the property indicates that further geologic investigations being undertaken by the Operator may uncover evidence to justify renewed exploration. Such evidence might become the basis of an application for another exploration project at the property, for which additional Government participation might be favorably considered.

LOCATION AND ACCESSIBILITY

The Sierra Zinc mine is in secs. 19, 20, 29, and 30, T. 38 N., R. 41 E., W.M., Stevens County, Washington. The main workings are in the SW¼ sec. 20, about half a mile from the county road that connects Colville with Northport via Spirit. By this road the mine is 24 miles from Colville and 17 miles from Northport, both of which are on the branch of the Great Northern Railway that connects Spokane, Washington, with Trail and Nelson, British Columbia.

In the immediate vicinity of the Sierra Zinc mine, elevations range from 2,000 feet in Deep Creek to 5,768 feet on Mt. Rogers, a ridge of quartzite about four miles southwest of the mine. A few slopes are as steep as 30 degrees, but most are considerably flatter, and low rock bluffs are not uncommon.

Work may be carried on throughout the year although winter snowfall generally accumulates to three feet or more in depth.

PROPERTY

The property involved in the exploration program consists of six unpatented lode mining claims known as the Blue Ridge group. The claims are owned by Goldfield Consolidated Mines Company, One Montgomery Street, San Francisco 4, California.

THE PROJECT

More than 50,000 tons of ore averaging 0.68 percent lead, 5.4 percent zinc, 0.49 ounce per ton of silver, and 0.013 ounce per ton of gold have been produced from the Sierra Zinc mine. Practically all of this ore was mined from mineralized zones in marble strata in the Colville quartzites of Paleozoic age. The purpose of the project was to diamond drill for extensions of known ore bodies.

The original exploration project specified the following work:

(1) Drive a 60-foot long crosscut from the main adit level and cut a diamond drill station.

(2) Drill six diamond drill holes, totaling 905 feet, from the drill station.

(3) Drill three holes, totaling 450 feet, from three surface locations.

(4) Raise 290 feet to surface from sublevel stope.

When the Operators commenced rehabilitation work in the main adit preparatory to crosscutting, they found heavy ground conditions that made the job more difficult than originally anticipated. Consequently, Amendment No. 1 was prepared on October 5, 1952, to allow two additional holes to be drilled from the surface to explore the same objectives that were intended to be explored by the underground drilling and raising.

Diamond drilling was the sole work carried out under the exploration contract. This was done on subcontract by Boyles Bros. Drilling Company, Salt Lake City, Utah. A gasoline powered skid-mounted surface drill was operated on a one-shift basis. All coring was AX size.

Drilling was started in August 1951 and suspended in December. During the last month, cold weather caused freezing water lines and other difficulties. A total of 1,139.5 feet of diamond drilling was completed. A cost breakdown follows:

	Total cost	Cost per foot
Contract diamond drilling*	$ 6,053.88	$ 5.31
Supervision	1,290.00	1.13
Total	$ 7,343.88	$ 6.44

Government's participation.....	$ 3,671.94
Total contract amount approved.....	23,055.00
Government's share of cost.....	11,527.50
Amount of unexpended funds.....	15,711.12
Government's share of unexpended funds.....	7,855.56

*See ANNEX A for further breakdown of costs.

No equipment was purchased under the contract.

There was no production from the property during the life of the project, and the property is not in operation at present.

Performance of the work was satisfactory; however, it is to be noted that percentage core recovery decreased markedly during the last month of the operation, which may be attributed in part to the cold weather.

No other unusual difficulty was encountered.

Description of Work Completed

Vertical diamond drill hole No. 1 (coordinates 9062N-10340E) was drilled to intersect the down dip projection of a lead-zinc mineralized stratum exposed in an old open-cut. Gray to greenish-gray crystalline marble was cut in the first 49.5 feet with pyrite, galena, and sphalerite sparsely disseminated throughout the first 28 feet of this interval. The weighted average assay from 3.5 to 27.3 feet was: no lead and 1.33 percent zinc. Under the marble was found a four-foot sill of gray, biotite-rich quartz diorite or tonalite. The rest of the hole cut relatively thick layers of quartzite and phyllite with an occasional thin sill of quartz diorite. The hole was stopped at 176.5 feet in greenish phyllite after having passed through a seven-foot sill of quartz diorite. Pyrite was exposed in the core in several intervals but no lead or zinc sulfide was found in other than the marble stratum. Total length of core recovered from the hole was 148.1 feet, giving 85 percent recovery.

Originally, the contract specified another vertical hole to be drilled to explore deeper projections of the ore, but evidence from the first hole and subsequent critical examination of faulting exposed in a short adit between the open cut and the site of the initial hole led to the conclusion that the ore-bearing stratum had been thrust upward along a fault striking S. 65° W. and dipping 55 degrees to the north, bringing it nearly to the present surface. As the surface slopes more steeply than the dip of the ore zone, it was believed that most of the ore had been removed by erosion. By mutual agreement between the DMEA Field Team and the Operator, the originally planned vertical hole No. 2 was cancelled.

Drill hole No. 3 (coordinates 10396N-9555E) then was started. The overburden was found to be 48 feet deep at this place. Core from the hole showed alternating quartz mica-schists, quartzites, phyllites, occasional narrow bands of feldspathic quartzite, and near the bottom an occasional narrow band of quartz diorite. Two marble strata, one from 292 to 306 feet and the other from 332 to 339 feet, did not contain any ore minerals. The hole was bottomed at 417 feet. The core recovery for the entire hole was 75 percent.

Surface holes Nos. 4 and 5 were drilled next in lieu of the underground drilling specified in the contract. Hole No. 4 (coordinates 9985N-9405E) was the first one drilled. This hole penetrated 35 feet of overburden, then alternating strata of schist, phyllites, quartzites, and an occasional sill of quartz diorite. Barren marble bands were intersected from 103 to 128 feet, 222 to 234 feet, and 272 to 285 feet. A strongly fractured zone was intersected between 92 and 100 feet, but this was at too high an elevation to be satisfactorily correlated with other known major faults in the area. The hole was bottomed at 358 feet, no ore minerals having been exposed in any of the recovered core. The total length of core was 210 feet, for an average recovery of 65 percent.

Hole No. 5 (coordinates 980N-95½E) was next drilled in December during inclement winter weather with consequent freezing of water lines and other difficulties that resulted in decreased efficiency and core recovery. This hole penetrated 15 feet of overburden, then marble down to 28 feet, and beyond that point phyllites, schists, and quartzites. In places the drillers experienced difficulty in obtaining solid cores because of faulting or other undetermined factors. The hole was bottomed at 188 feet in calcareous phyllitic marble. No ore mineral was found in the recovered core; recovery was only 35 percent.

The diamond drill holes were completed by mid-December 1951. In January 1952, Coldfield Consolidated Mines Co. submitted a report and vouchers for the completed work. No further work was planned until the Operators had completed independent geologic work to determine if more exploration was justified. On July 18, 1952, a letter was received from the Operator requesting a 6 months extension of the contract pending outcome of more geologic work to be done on the property by representatives of the staff of the Washington State Geological Department. Inasmuch as this would extend the contract for a disproportionately long time and as new work probably would have little resemblance to that originally planned, the contract was terminated by mutual agreement between the Operator and the DMEA Field Team on August 29, 1952.

Geology

The Sierra Zinc property is underlain by Paleozoic sediments that have been intruded by younger granitic rocks. The contact between the two rock types traverses the northern portion of the mine area, the granites outcropping to the north. The sediments have been mapped by Weaver 1/ as belonging to the Colville Quartzites. Mr. C. D. Campbell conducted a detailed examination of the Sierra Zinc area in 1943 and 1944, while working for the U. S. Geological Survey on War Minerals Investigations. In an unpublished report compiled as a result of this work, Campbell tentatively correlates the Colville Quartzites with the upper part of the Gypsy Quartzite of the Metaline Quadrangle to the east. If this correlation is confirmed, the sediments are of early or middle Cambrian Age. The granites represent a westward extension of the Kamiksu Batholith of late Mesozoic Age.

The contact between the sediments and igneous rocks is probably an intrusive contact for throughout the contact area sills and apophyses of the igneous rocks are found transecting and paralleling the sediments. On the plan map accompanying this report the general contact is illustrated in the northern portion of the map where igneous rocks are exposed cutting the sedimentary formations.

1/ Weaver, C. E., The Mineral Resources of Stevens County, Washington, Geological Survey, Bull. 20, pl. I, 1920.

The sedimentary rocks consist of alternating strata of phyllites, quartzites, quartz-mica schists, and an occasional stratum of crystalline marble. Generally there is no sharp demarcation between the various lithologic units. The metamorphic effects caused by the intrusion have created sufficient changes in the original character of the rocks so that individual members are distinguished with difficulty. All members contain quantities of chlorite and related micaceous minerals. The sedimentary rocks generally strike N-S and dip 30-50 degrees to the west.

In such a geologic environment, the structures are necessarily complex, but as a result of Campbell's work two major fault structures have been outlined. These are shown on the accompanying map. The No. 1 fault, striking nearly north-south, roughly paralleling the sediments but dipping much more flatly, has been exposed in the mine workings. This fault, apparently of major proportions, has associated with it gouge and broken rock 2 to 4 feet thick. The hanging wall block over this fault has been thrust to the east. Campbell has mapped a major South fault, striking nearly at right angles to the main No. 1 fault. Little is known concerning the character of this fault.

As reported by Campbell, a total of 56,105 tons of lead-zinc ore was milled from the Sierra Zinc mine between October 1941 and September 1, 1944. There has been more recent production but data are not available on this. The average grade of ore mined during 1941-44 was 6.5 percent zinc, 0.8 percent lead, and 0.4 ounce per ton of silver. Previously about 150 tons of ore was produced from the property.

The ore bodies on the Sierra Zinc property are essentially confined to marble horizons in the sedimentary formation. These are typical replacement type ore bodies, the replacement apparently having taken place along and outward from bedding planes. In his report Campbell considers a number of possibilities for the control of the mineralization. Chief among these are control by the No. 1 fault, control by folds in the bedding of the marble, and sets of minor faults which now are not easily discernible. Campbell concludes that: "Although every effort was made to correlate the position of the ore shoots with these structural features, no correlation was evident. Conflicting evidence is the rule. Either some unsuspected control of ore deposition was operative, or the controlling pre-mineral structure has been obscured by the process of ore deposition or later tilting."

The most important ore minerals are galena and light brown sphalerite. Gangue minerals include tan to brown ferroculcite and quartz. Occasionally pyrite is associated with the ore.

Measurable ore reserves do not exist in the present state of development on the property.

Exploitation Possibilities

The exploration program failed to locate any ore.

Assay results by the Union Assay Office, Salt Lake City, Utah, of the metallized portions of the cores are:

Hole No.	Footage	Percent Lead	Percent Zinc
1	3'6" to 6'6"	Nil	1.6
	6'6" to 9'3"	Nil	1.0
	9'3" to 13'1"	Nil	1.9
	13'1" to 18'	Nil	Trace
	18' to 23'	Nil	0.9
	23' to 27'4"	Nil	2.9

Discussion of Conclusions

The Sierra Zinc mine has produced more than 50,000 tons of commercial ore. This came mainly from mineralized marble strata. No specific control for lateral extensions of the ore in the marble has been found. The work completed under the contract did not find ore but did indicate extensions of the marble stratum. The holes were placed at locations too distant from each other to positively insure that ore bodies do not exist in the intervals between; consequently, the work did not conclusively prove that the mined-out ore bodies do not have extensions. It is believed that further exploration can be outlined to search for ore bodies.

No unusual difficulty was encountered in the contract work. Core recovery decreased markedly toward the end of the work, but this was caused largely by the extremely cold weather and perhaps lax supervision.

Although the Operator stated that further geologic investigations were to be conducted to determine if continued exploration was justifiable, he failed to submit suggestions for constructively modifying the originally planned work at any time before the termination of the contract. No word suggesting other methods or plans for exploration has been received from the Operator since the date of the termination.

Enclosure

Distribution:
DMEA (4)
WMSH (5)
USGS (SEO)
Docket
Puffett

ANNEX A

Breakdown of subcontractor's charges for diamond drilling

Holes from surface with gasoline engine driven drill, size AX core.

Hole No. 1 - Depth 176.5 feet vertical

Mobilization and demobilization, prorata share		$ 50.00
6 feet BX	$4.75/ft.	28.50
170.5 ft. AX	4.25/ft.	724.63
35.5 ft. Series "D" core barrel	$1.50/ft.	53.25
Total		$ 856.38

Hole No. 1 cost per foot - $4.85

Hole No. 3 - Depth 417 feet vertical

Mobilization and demobilization, prorata share		$ 50.00
52 feet BX	$4.75/ft.	247.00
148 feet AX	4.25/ft.	629.00
200 feet AX	4.75/ft.	950.00
17 feet AX	5.00/ft.	85.00
147 feet Series "D" core barrel	$1.50/ft.	220.50
209 feet reaming AX to BX	$1.75/ft.	365.75
Total		$2,547.25

Hole No. 3 cost per foot - $6.11

Hole No. 4 - Depth 358 feet vertical

Mobilization and demobilization, prorata share		$ 50.00
37 feet BX	$4.75/ft.	175.75
163 feet AX	4.25/ft.	692.75
158 feet AX	4.75/ft.	750.50
21 feet Series "D" core barrel	$1.50/ft.	31.50
10 feet reaming AX to BX	1.50/ft.	17.50
Total		$1,718.00

Hole No. 4 cost per foot - $4.79

Hole No. 5 - Depth 188 feet vertical

Mobilization and demobilization, prorata share		$ 50.00
12 feet BX	$4.75/ft.	57.00
176 foot AX	4.25/ft.	748.00
48 feet Series "D" core barrel	$1.50/ft.	72.00
3 feet reaming AX to BX	1.75/ft.	5.25
Total		$ 932.25

Hole No. 5 cost per foot - $4.97

Average cost per foot including all items chargeable to the project was $6.44.

ANNEX B

Essential data from diamond drilling contract entered into between Boyle: Bros., Salt Lake City, Utah, and Goldfields Consolidated Mines Co., dated August 18, 1951.

Surface drilling

Mobilization and demobilization $ 200.00

	EX	AX	BX
0' to 200'	$3.75	$4.25	$4.75
200' to 400'	4.25	4.75	

Reaming: $1.40 EX to AX

1.75 AX to BX

Cementing: $6.00 per hour, plus cement or substitute.

1654

FILE COPY
SURNAME:

800

Talbert
Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

MAR 16 1953

BW

Mr. Charles A. Turner
DMEA Auditor
1201 North Division Street
Spokane 2, Washington

Re: DMA-1654X, Idm-285
Goldfield Consolidated Mines
and
DMA-76X, Idm-X213
Paul W. Wise

J. C. 3/16/53

Dear Mr. Turner:

The Reports of Review, covering the referenced projects, transmitted by your letters of March 11, 1953 have been accepted and distribution of the other copies may be effected.

It appears that the only costs claimed under Idm-X213 were, in accordance with the contract, the "agreedunit costs ### for units of work actually performed." In such cases audits are not required (see second paragraph Section 4 of DMEA Circular 19, Supplement 3) and Operators are not required to support their claims with documentary proof of costs incurred (see last paragraph on reverse of MF-304); therefore, the reasons given by you for the review in lieu of a final audit are not applicable. The only reason required is one similar to the third reason shown in Exhibit "B" of DMEA Circular 19, Supplement 3.

It is suggested that wherever possible the Report of Review, with the exception of any schedules attached thereto, be restricted to a single page. Also, I believe you should give a little more attention to Question and Answer No. 6, DMEA Circular 19, Supplement 1.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

JLChambers/wb
March 16, 1953

Copy to: Docket
Admr. Reading File
Mr. Chambers

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~

So. 157 Howard Street
Spokane 4, Washington

March 11, 1953

Certifying Officer
DMEA Field Team, Region II
1201 North Division St.
Spokane, Washington

1654

Re: Docket No. DMA 1645X (lead-zinc)
Goldfield Consolidated Mines Company
Sierra Zinc Mine
Stevens County, Washington
Contract No. Idm-E85

Dear Sir:

The referenced contract has been terminated by mutual agreement before completion of the work. All work performed has been completed to the satisfaction of the Government.

The Operator's final report on the project work is hereby waived.

Inasmuch as the Operator's final invoice has been received and as the Government has no equity in any equipment or supplies, it is requested that the account be closed out as soon as possible.

Sincerely yours,

A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: DMEA (2)
USBM (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

September 3, 1952

Mr. Jay L. Chambers, Chief
Contract Administration and Audit Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Re: Contract E-85, Docket DMA-1654X
Goldfield Consolidated Mines
Amendment No. 1

Dear Mr. Chambers:

Previous diamond drilling under terms of the Exploration Project Contract yielded information that changed the original concept regarding the ore deposit. It was therefore decided that rather than drill holes 4 and 5 from the underground station as designated in the contract, these holes could be more favorably located from the surface. The location and length of these two surface diamond drill holes, designated as 4a and 5a, are shown on the map accompanying the amendment.

Sincerely,

Thor H. Kiilsgaard

Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMEA
Field Team, Region II

cc: USBM, Spokane (2)
USBM, Albany

S.I.S. 9-8-52

OFFICE OF THE ADMINISTRATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS ADMINISTRATION

WASHINGTON 25, D. C.

1201 N. Division St.
Spokane 2, Wash.
August 29, 1952

SEP 15 1952

Mr. Frank E. Johnson
Chairman, Operating Committee
Defense Minerals Exploration Admin.
Washington 25, D. C.

Subject: Docket DMA 1654X (lead-zinc)
Goldfield Consolidated Mines Co.
Sierra Zinc Mine, Contract Idm-E85
Stevens County, Wash.

Dear Mr. Johnson:

Enclosed are the original and two copies of an agreement to terminate the captioned contract. One copy has been retained by the Operator, one has been sent to the Fiscal Officer, and one is being retained here.

The project has been suspended since December 1951 so that the Operator can make further geologic investigations as a basis for a decision on further exploration. The Operator has informed us that although these investigations are in continuing status, the staff is still unable to recommend a reasonably good exploration program.

The geologic work will take some time to complete. Any further exploration to be recommended probably will differ widely from that specified in the existing contract and might as well be considered for a new contract. Rather than continue obligations under the existing contract for an indefinite period, the Field Team believes the best interests of the Government will be served by terminating the contract.

By Field Team, Region II

RECEIVED
OCT 1 - 1952
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

A. E. Weissenborn, Exec. Officer
(U. S. Geological Survey)

M. E. Volin, Member
(U. S. Bureau of Mines)

SDS 9/16/52

cc: USGS, Spokane

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

So. 157 Howard Street
Spokane 4, Washington

July 21, 1952

Mr. Estey A. Julian
Vice President and General Manager
Goldfield Consolidated Mines Company
One Montgomery Street
San Francisco 4, California

Re: Docket DMA 1654X (Lead-Zinc)
The Goldfield Consolidated Mines Co.
Sierra Zinc Mine
Stevens Co., Washington
Contract Idm-E85

Dear Mr. Julian:

This will acknowledge receipt of your letter of July 18 in which you state that your staff has been unable to recommend further exploration under the Goldfield Consolidated Mines contract of the Sierra Zinc mine, Contract Idm-85, Docket DMA-1654X, Lead-Zinc.

I am glad Messrs. Purdy and Bennett are going to undertake geologic study at the Sierra Zinc property. However, I am sure that it will be some time before their work is completed and that any recommendations they may make for further exploration would be quite different from the work planned in the existing contract. In view of this, I believe it would be better to close out the existing contract.

Enclosed are 8 copies of a form for your signature terminating the existing contract without prejudice. Please retain one and return the others to me. If, as a result of the work by Messrs. Purdy and Bennett or by company geologists, you can draw up a feasible plan for further exploration of the Sierra Zinc property at some future date, we would be glad to consider the application.

With kindest regards, I am,

Sincerely yours,

Glenn C. Reed
For: M. E. Volin
Acting Executive Officer, DMEA
Field Team, Region II

Enclosures

cc: DMEA, Wash. (2)
USBM, Spokane (2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 21 1952

No. [illegible] Street
[illegible], Washington

July [illegible], 1952

Mr. [illegible]
[illegible] Street
[illegible], California

Re: [illegible]
[illegible]
[illegible]
[illegible], Washington
Contract [illegible]

Dear Mr. [illegible]:

[illegible] under the above [illegible] contract was terminated in December 1951 at the request of the operator. The reason [illegible] was that further [illegible] investigations were to be made to determine just what, if any, future work should be planned to explore for lead-zinc ore at the [illegible] mine. To date we have not received any word [illegible] exploration is to be resumed.

[illegible] contract [illegible], lead, the [illegible] contract was [illegible] to [illegible]. [illegible], the [illegible] lead. [illegible] [illegible] Department of the Interior to [illegible] [illegible] hopefully be [illegible].

[illegible] contract.

[illegible]

[illegible]
[illegible]

[illegible]
[illegible]
[illegible]

1654

WASHINGTON

STEVENS COUNTY

February 1, 1952

Goldfield Consolidated Mines Company, Idm-E85, Zn-Pb

50-50 of $23,055.00

Six months

The project includes 450 feet of surface diamond drilling and 905 feet of underground diamond drilling. The contract was amended to permit all drilling from the surface. The program also includes 290 feet of raise. The exploration is searching for ore-bearing marble horizons.

Thin barren marble horizons have been intersected in four holes. The operators plan to suspend work on the program until they have done more detailed geologic work on the property so that, if possible, a more feasible interpretation can be given to evidence found in the completed holes. No work has been done on the raise.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

FILE COPY
SURNAME:
Ellis
400 Mittendorf

OCT 18 1951

A.E.

Contract Service Section
General Accounting Office
Washington 25, D. C.

Re: Docket No. DMA-1654
The Goldfield Consolidated Mines Co.
Exploration Project Contract
Idm-E85
Amended October 3, 1951

Gentlemen:

Enclosed for recording in your office is the original of an amendment to the Exploration Project Contract between the operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf (for) D.J. 10-18

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

EWEllis/jem
10-15-51

cc to: Adm. Reading File
Reports & Records
Messrs. Mittendorf, Olund
Mr. Ellis
Field Team, Region II
Docket

PED

[redacted]PARTMENT OF THE INTERIOR
RECEIVED
OCT 1 5 1951
Defense Minerals Administration,
Production Expansion Division.

1201 N. Division St.
Spokane 2, Wash.
October 9, 1951

MEMORANDUM

To: C. O. Mittendorf, Director, Production Expansion Division, Defense Minerals Administration, Washington 25, D. C.

From: M. E. Volin, Acting Executive Officer, DMA Field Team, Region II

6

Subject: Contract amendment, Idm-E85 and Idm-E133

Enclosed for appropriate distribution are three copies each of the subject contracts. Copies of these amendments have been forwarded to the DMA Fiscal Officer, Region II, and to the companies concerned.

M. E. Volin, Acting Exec. Officer
(U. S. Bureau of Mines)

DEPARTMENT OF THE INTERIOR
RECEIVED
AUG 28 1951
Defense Minerals Administration,
Production Expansion Division.

C
O
P
Y

Top in DMA-1165X

August 22, 1951

Air Mail

Memorandum

To: C. O. Mittendorf, Director, Production Expansion Division, DMA, Washington, D. C.

From: Executive Officer, DMA Field Team, Region III

Subject: DMA Exploration Projects--Diamond-Drilling Contracts

In several of your letters to me regarding exploration project contracts, you have advised the contracting parties to send copies of their diamond-drilling contracts to me for approval. My reference is to the Black Rock Tungsten contract, DMA-1376x--Contract Idm-E103, and Cordero Mining Company contract, DMA-1165x--Contract Idm-E64.

My problem is what should I approve? The Black Rock contract is an impressive legal document but the only part of it that seems of immediate interest to me is the contracted cost per foot of hole drilled, which, all I can say, seems reasonable. Cordero Mining Company submitted only a copy of its contractor's letter indicating the contract price and approval by both parties concerned. In neither submitted contract is there included sufficient data on which to guarantee satisfactorywork, either to the companies entering into the contract or to the Government.

I believe that certain specifications for core-drilling should be included in the contract, somewhat similar to those previously used in the Bureau of Mines Mining Division project work. In the contracts examined by me so far there is nothing included relative to core recovery, method of sampling, collecting sludges, grinding of core, types of core-barrel to be used, and other items of importance.

I assume that the Government will require as complete and reliable data on exploration loan work as that required to appraise the values of similar past projects that were done by the Mining Division, Unless close supervision is exercised, the Government must rely entirely on the integrity of the company to supply information on which depends the reported success or failure of the enterprise. Without proper supervision, sludge samples could be salted, proper coring could be neglected, false measurement on depth of holes could be

presented, difficult holes could be abandoned, and many other things that probably will not happen but could happen. Also, what is to prevent a company from throwing away high-grade cores so that in the end our engineers (based on inaccurate information) would conclude that the project did not open up a body of commercial ore and the applicant, therefore, would not have to repay the Government for its share of the cost.

In view of the large amount of Government money involved, it seems that we should be advised by the Defense Minerals Administration as to the Regional Office responsibilities relative to the administration of the diamond-drilling contracts. It would seem to me that the expense of a project engineer on the larger projects would be cheap insurance. On the smaller contracts, one engineer could probably handle two or three projects.

An early reply will be appreciated, as I am holding up the approval of the cited contracts until I hear from you, although it is my understanding, at least in so far as the Black Rock tungsten contract is concerned, that diamond drilling the property already is underway.

/s/ H. C. Miller

H. C. Miller
Executive Officer, DMA Field Team
Region III

Copy via regular mail

THE GOLDFIELD CONSOLIDATED MINES COMPANY
ONE MONTGOMERY STREET
SAN FRANCISCO 4, CALIFORNIA

August 9, 1951

Mr. C. O. Mittendorf
Director, Production Expansion Division
Defense Minerals Administration
Department of the Interior
Washington 25, D. C.

Dear Mr. Mittendorf:

We acknowledge with thanks your letter of July 26, with executed exploration contract No. Idm-E85, and other enclosures.

This has been forwarded to Mr. T. Higginbotham, Manager of the Deep Creek Project, who will supply Mr. Weissenborn with the additional information requested.

Your prompt action in this matter is much appreciated, and only lack of labor or failure to obtain certain necessary equipment will prevent him from undertaking the work on schedule.

Sincerely,

Estey A. Julian

Estey A. Julian

EAJ/m

cc Messrs. Weissenborn
Higginbotham

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 13 1951

FILE COPY
SURNAME:
DMa
Mittendorf
Olund

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

AUG -6 1951

My dear Senator Magnuson:

I am pleased to report to you that the Defense Minerals Administration of this Department has recently entered into a contract with The Goldfield Consolidated Mines Company, operating in your state for the exploration of possible sources of lead and zinc.

The contract provides that the Government will participate in the expense of this work up to 50% of the cost thereof.

This type of assistance is provided for under Section 303 of the Defense Production Act.

The Defense Minerals Administration will be glad to furnish you any further details you may desire regarding the matter.

Sincerely yours,

(sgd) R. D. Searles

Acting] Secretary of the Interior

Hon. Warren G. Magnuson
United States Senate
Washington 25, D.C.

Identical letter to: Hon. Harry Cain
Mr. Walt Horan

EWEllis/jem
7-30-51

cc to: Secy's Reading File
Adm. Reading File
Mr. Mittendorf-Olund
Reports & Records
Mr. Ellis
Docket Copy

5-0

RETURN TO THE BUREAU OF MINES

BUREAU OF MINES
WASHINGTON, D. C.

AUG 9 7 54 AM '51

FILE COPY
SURNAME:

Ellis
Lyon
Mittendorf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

July 26, 1951

AIR MAIL

The Goldfield Consolidated Mines Company
One Montgomery Street
San Francisco 4, California

Re: Docket No. DMA- 1654X

Gentlemen:

Enclosed find executed Exploration Project Contract No. Idm-E85 dated July 26, 1951 with attached exhibits and maps; also a set of monthly Progress Reports (Form-104). A progress report is to be submitted monthly in quadruplicate to the DMA field representative in your area where additional copies may be obtained.

Before commencing drilling or other work contracts, kindly comply with paragraph 4 of the Contract by submitting a copy of the work contract to the Executive Officer of Region II for his approval. His address is as follows:

Mr. A. F. Weissenborn
Executive Officer
DMA Field Team, Region II
South 157 Howard Street
Spokane, Washington

A press release dated May 14, 1951 on "Questions and Answers on the Minerals Exploration Program" is enclosed for your information.

Sincerely yours,

C. O. Mittendorf 7/31

C. O. Mittendorf, Director
Production Expansion Division

Enclosures

EWEllis/jem

cc to: Adm. Reading File
Messrs. Mittendorf-Olund
Lyon
Billings
McKnight
Ellis
Weissenborn, Region II
Contract Service Sec., GAO
Reports and Records
Miss Terry - Wash. Finance Office

FILE COPY
SURNAME:

Ellis
Olund
Mittendorf

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

July 26, 1951

Mr. Frank McAtee, Jr.
Contract Service Section
General Accounting Office
Washington 25, D.C.

Re: Docket DMA- 1654X
Exploration Project Contract
Idm-985
The Goldfield Consolidated
Mines Company
San Francisco, California

Dear Mr. McAtee:

Enclosed for recording in your office is the original, signed copy of an Exploration Project Contract executed between the operator named in the above reference and the Government of the United States.

Sincerely yours,

C. O. Mittendorf 7/31

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

EWEllis/jem

cc to: Adm. Reading File
Messrs. Mittendorf-Olund
Lyon
Billings
McKnight
Ellis
Weissenborn, Region II
Reports & Records
Miss Terry - Wash. Finance Office

FILE COPY
SURNAME:

Guthrie

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

July 25, 1951

Memorandum

To: Chief, Production Expansion Division

From: General Counsel

Subject: The Goldfield Consolidated Mines Company, exploration project contract — Docket No. DMA-1654X

The contract in the captioned case is approved as to legal form and sufficiency subject to:

1. Addition in ink or typing of the notations on the blanks in paragraph 2(a) now in pencil.

2. Government approval of any subcontracts under which work on the project is to be performed.

At the time of delivery of the contract to the Operator the effective date should be inserted.

Your file is returned herewith.

J. L. Hofflund

J. L. Hofflund
General Counsel

Attachment
RRGuthrie/bjl

Copy to: R. R. Guthrie
J. L. Hofflund
Chron.
Files

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

July 26, 1951

AIR MAIL

Mr. A. E. Weissenborn
Executive Officer
DMA Field Team, Region II
South 157 Howard Street
Spokane, Washington

RE: Docket DMA- 1654K
Exploration Project Contract
Idm-E85
The Goldfield Consolidated
Mines Company
San Francisco, California

Dear Mr. Weissenborn:

Enclosed for the use of your office is a copy of the contract covering the subject exploration project, which has been signed for The Goldfield Consolidated Mines Company and for the Defense Minerals Administration.

A copy for the Regional Finance Officer will be forwarded directly by the Washington Finance Division, together with accounting instructions.

Sincerely yours,

7/31

C. O. Mittendorf

C. O. Mittendorf, Director
Production Expansion Division

Enclosure-1

EWEllis/jem

cc to: Adm. Reading File
Mr. Mittendorf-Mr. Olund
Mr. Lyon
Mr. Billings
Field Team - Region II
Mr. McKnight
Mr. Ellis
Miss Terry - Wash. Finance Office
Reports & Records

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

July 20, 1951

Mr. T. Higginbotham, Manager
Goldfield Consolidated Mines Co.
~~Deep Creek Project~~
Alladin Route
Colville, Washington

Subject: DMA-1654x
Re: Exploration Loan -
Sierra Zinc Mine & Mill Site

My dear Mr. Higginbotham:

Receipt is acknowledged of your application and attachments for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1861 and referred to Mr. Thomas Billings, Chief, Lead-Zinc Branch on July 20, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1861.

Sincerely yours,

SIGNED
7/20

Landon F. Strobel
Executive Secretary

L. F. Strobel:jc
cc: Strobel
File
Billings
Lyon

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
WASHINGTON 25, D. C.

June 18, 1951

Mr. T. Higginbotham
Manager
The Goldfield Consolidated
Mines Company
Aladdin Route
Colville, Washington

Subject: DMA-1654X
Re: Exploration Loan
Deep Creek Project
(Sierra Zinc Mine and
Mill site)

My dear Mr. Higginbotham:

Receipt is acknowledged of your application and attachments of May 29, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1654X and was referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on June 12, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1654X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: Strobel-2
>Files
Herres
Lyon

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

July 10, 1951

DMA-1654X

Memorandum: Through: Landon F. Strobel

To: Mr. Tom Lyon, Chairman, Coordinating Committee

From: Field Team, Region II

Subject: Sierra Zinc Mine
Goldfield Consolidated Mines Company
Stevens County, Washington

Enclosed herewith are six signed contracts and six copies of Exhibits "A", "B", "C", "D", "E" and accompanying maps for the proposed exploration of the Goldfield Consolidated Mines Company, Sierra Zinc Mine.

No geologic report is enclosed but the Sierra Zinc mine was completely mapped during the Strategic Minerals program of the last war, and there is an unpublished manuscript in the files of this office.

From 1941 to 1944, 56,105 tons of ore were taken from this mine and milled. The Lead-zinc ratio was about 1:12. The mine is now shut down but the company plans to reopen shortly. A 250-ton flotation mill on the property is now running on ore from the Company's Deep Creek mine.

The geology of this mine is structually complex (See map attached to contract) and the ore horizons, which are almost entirely in marble, are frequently faulted off. Part of the underground drilling is to search for one such segment. In addition there are large blocks of ground which have not been explored, and with the past history of this small mine these unexplored blocks are well worth diamond drilling.

The proposed inclined raise will start from a stope abandoned at the time zinc dropped in price, and follow a vein until it pinches out or reaches the surface. The vein is about 6 feet wide with an estimated combined grade of 8:12%. This vein was unknown at the time the mine was first mapped and a raise will probably permit the determination of a considerable block of ore.

On the basis of the mines past excellent production of zinc ore, the large amount of unexplored ground, and the fact that the proposed raise will start in milling ore, it is strongly recommended that this exploration proposal be approved.

Enclosures
cc: L.F.Strobel
U.S.B.M. Spokane
U.S.B.M. Albany

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 16 1951
LANDON F. STROBEL
Executive Secretary

M. E. Volin, Member
(U.S. Bureau of Mines

For: Elton A. Youngberg
A. E. Weissenborn,
Executive Officer, DMA
Field Team, Region II

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 4, Washington

July 10, 1951

DMA-
~~186~~
165-4X

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Strobel:

Enclosed herewith are six signed copies of a contract and six copies of Exhibits "A", "B", "C", "D", "E", "F", and accompanying maps for the Consolidated Goldfield Company's application for an exploration contract.

Will you please forward these to the Chairman of the Lead-Zinc Committee.

Also enclosed is the fourth copy of the application. This docket has not received a number nor has there been any request for an examination; however, the contract was written during the rush hours of June.

Yours very truly,

Verne C. Fryklund

Verne C. Fryklund, Jr.
For: A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosures

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUL 16 1951
LANDON F. STROBEL
Executive Secretary

JUL 20 1951

dma 1654 X

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
So. 157 Howard Street
Spokane 8, Washington

June 5, 1951

Mr. Landon F. Strobel
Executive Secretary
Defense Minerals Administration
Department of Interior
Washington 25, D. C.

Dear Mr. Strobel:

Enclosed herewith is an application for an exploration loan submitted by The Goldfield Consolidated Mines Company on the Sierra Zinc mine, Stevens County, Washington.

This application was received in this office prior to May 31 but without a map showing the proposed exploration program. The applicant has now furnished us with a map showing the proposed raise and station from which the applicant proposes to diamond drill.

One copy of the application is being retained in this office.

Yours very truly,

Thor H. Kiilsgaard
Thor H. Kiilsgaard
For: A. E. Weissenborn
Executive Officer, DMA
Field Team, Region II

Enclosure

cc: U.S.B.M.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 8 - 1951
LANDON F. STROBEL
Executive Secretary

June 18, 1951

Mr. T. Higginbotham
Manager
The Goldfield Consolidated
Mines Company
Aladdin Route
Colville, Washington

Subject: DMA-1654X
Re: Exploration Loan
Deep Creek Project
(Sierra Zinc Mine and
Mill site)

My dear Mr. Higginbotham:

Receipt is acknowledged of your application and attachments of May 29, 1951 for an exploration loan under the Defense Production Act of 1950.

The application was assigned Docket Number DMA-1654X and was referred to Mr. Otto Herres, Chief, Lead-Zinc Branch on June 12, 1951.

In any future correspondence relating to your application, kindly refer to DMA-1654X.

Sincerely yours,

LANDON F. STROBEL

Landon F. Strobel
Executive Secretary

LFSTROBEL:js
cc: >Strobel-2
Files
Herres
Lyon

Brought for McTriggert

6/5/51 Herres

6-25-51

Defense Minerals Administration

Review of Application for Exploration Assistance

To: Director, Production Expansion Division

From: Director, Supply Division

Docket No. 1654X

Commodity Zinc - lead

Total Amount $25,000

Govt. Participation 50%

1. Name and Address of Applicant The Goldfield Consolidated Mines Company

Deep Creek Project, Aladdin Route, Colville, Washington

2. Location of Property Sierra Zinc Mine and Millsite, 19 miles south of

Northport, Stevens County, Washington

(Secs. 19 and 20, T. 38 N. R. 41 E. W.M.)

3. Mineral or metal Zinc-lead Is it listed in Section 9 of MO-5?

If not, application will be rejected.

4. Geologic probability of discovery—based on data in application (question #16, 17, 18, 20 and 22)*

Mines or Survey reports, etc., do you rate chances:

a) Good See attached statement

b) Poor

c) None

d) Don't know—needs field examination

e) Is there an alternative and favorable project?
(If so, attach an explanation)

5. Is the applicant's right to the property clearly stated? Yes
(question 5, 6, 7)*

6. If applicant is a lessee, is a copy of the lease attached?

Does the lease have sufficient time to run to cover a future

productive period?

*question numbers are those of MF-103

Docket DMA-1654X

Applicant: Gold field Consolidated Mines Co.

Location: Sierra Zinc Mine
19 miles south of Northport, Stevens County
Washington.

4. (a) The rocks occurring at the mine consist of a granite or granodiorite, which invades limestone. Parallel to the contact of these rocks is a dike of lamprophyre. These rocks have been cut by small faults along which ore-bearing solutions moved and also post-mineral faults which have displaced ore bodies to some extent. The ore is the replacement of limestone by sphalerite and galena along the pre-mineral faults whose pattern give the ore a ribbon-like structure. (War Minerals Report 356, Buream of Mines 1943). This area is highly favorable and the proposed exploration is promising.

7. Are subordination agreements necessary? No

a) MF-201? _____

b) MF-202 _____

8. From the data presented, does the proposed project appear feasible from the point of view of:

a) Available manpower Yes

b) Equipment and supplies Available in the general area
(Question 14 plus general knowledge of availability)*

c) Accessibility (question 12)* Yes

d) Water (question 13)* Yes

e) Power (question 13)* Yes

Is a field check needed on any of these points? No

9. Does the experience of the applicant appear to be adequate to assure that he can properly conduct the proposed project? (question 4)* Yes

_____

Is a field check needed on this point? No

10. Exhibit A. (questions 21 and 22)*

a) Is the project adequately described? Yes

If not, are there sufficient data given so that you can describe the project? _____ If so, attach a draft.

b) Is there an adequate map or sketch of the proposed work? Yes

_____

c) Is the proposed work "exploration" under the definition of Section 8, MO-5? Yes

If not, what part of it is? _____

_____

_____

_____

Is this part a worthwhile exploration project?_____

d) Are the cost estimates detailed? Yes

Can they be summarized, as on page 2 of Procedural Instruction 5-A, from the available data? Yes If so, attach a draft. Summarized on data sheet answering question 23.

e) Are the cost estimates reasonable? Yes

f) Should more information be requested from applicant? No

g) Is a field examination necessary to complete Exhibit A? No

11. Exhibit B (question 23-d)*

a) Is it applicable? No

b) If so, are sufficient data furnished?_____ If so, attach a draft.

c) Is a field check needed?_____

12. Exhibit C (question 23-e, f and g)*

a) Is it applicable? No

b) Sufficient data?_____ If so, attach a draft.

c) Are rents and charges reasonable?_____

d) Is a field check needed?_____

13. Exhibit D (question 23-a, b)*

a) Are there sufficient data? Yes. Proposed work to be contracted

b) Is the schedule adequate for the work proposed? Yes

c) Is the schedule excessive for the work proposed? No

d) Are the proposed wages and salaries reasonable? Yes

e) Is a field check needed? No

14. Exhibit E (question 23-c)*

a) Is it applicable? No repairs required

b) Sufficient data?

c) Reasonable?

d) Field check needed? No

15. In your judgment, can the proposed work be done in the proposed time? Yes

(All exploration must be completed within two years)

16. If field examination is not needed, attach your recommendation.

17. If field examination is needed, do you have any special instructions for the field team not indicated by your answers to the foregoing question?

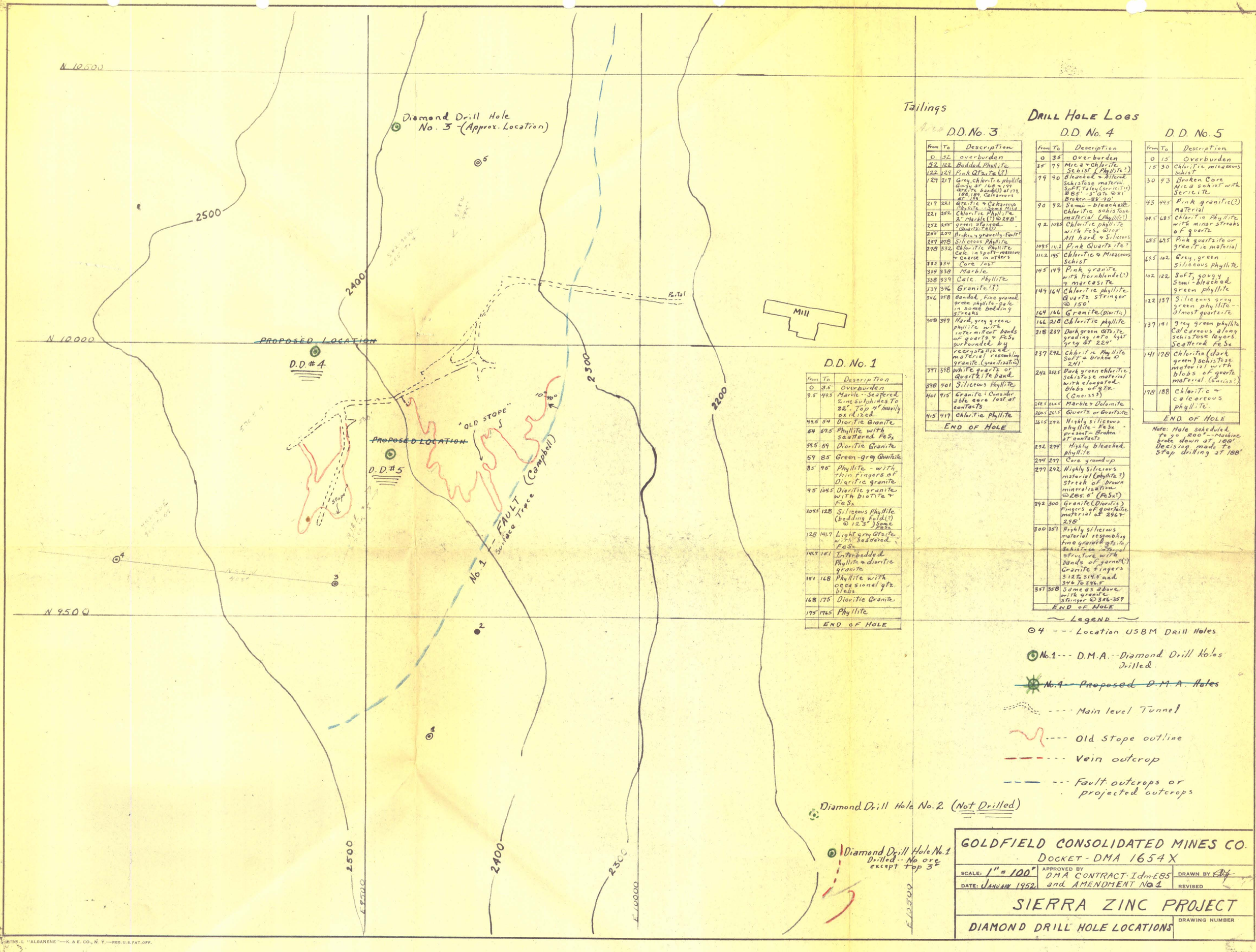
Reviewed by: A. J. Bodenlos - GS

G. A. Apell - BM

Date 6/25/51

97692

16. From a geologic standpoint, the mineralization of this area is sufficient to warrant recommendation of this exploration.



DRILL HOLE LOGS

D.D. No. 3

From	To	Description
0	32	overburden
32	122	Bedded Phyllite
122	124	Pink Qtzite (?)
124	217	Grey, chloritic phyllite Gouge at 168 & 199 Qtz. Ts. band(?) at 174, 188, 189, Calcareous at 189.
217	221	Qtzitic & Calcareous Phyllite -- some Mica
221	252	Chloritic Phyllite 2" Marble (?) @ 248'
252	255	green stained Quartzite (?)
255	257	Broken, gravelly - Fault?
257	278	Siliceous Phyllite
278	332	Chloritic Phyllite Calc. in spots - massive & coarse in others
332	334	Core lost
334	338	Marble
338	339	Calc. Phyllite
339	346	Granite (?)
346	358	Banded, Fine grained green phyllite - calc in some bedding streaks
358	397	Hard, grey green phyllite with intermittent bands of quartz & FeSx surrounded by recrystallized material resembling granite (granitization)
397	398	white quartz or Quartzite band
398	401	Siliceous Phyllite
401	415	Granite & Considerable core lost at contacts
415	417	Chloritic Phyllite
		END OF HOLE

D.D. No. 1

From	To	Description
0	3.5'	Overburden
3.5'	49.5	Marble -- Scattered zinc sulphides To 22". Top 4' heavily oxidized.
49.5	54	Diorite Granite
54	69.5	Phyllite with scattered FeS_x
69.5	59	Dioritic Granite
59	85	Green-grey Quartzite
85	95'	Phyllite - with thin fingers of Dioritic granite
95'	104.5	Dioritic granite with Diorite & FeS_x
104.5	128	Siliceous Phyllite (bedding fold(?) @ 123') Some FeS_x
128	141.7	Light grey Qtzite with scattered FeS_x
141.7	151	Interbedded Phyllite & dioritic granite
151	168	Phyllite with occasional qtz. blebs.
168	175	Dioritic Granite
175'	176.5	Phyllite
		END OF HOLE

D.D. No. 4

From	To	Description
0	35	Overburden
35	79	Mica & Chlorite Schist (Phyllite?)
79	90	Bleached & Altered Schistose material. Soft, Talcy (sericitic) @ 85' - 3" Qtz. @ 81' Broken - 85 - 90'
90	92	Semi - bleached Chloritic schistose material (Phyllite?)
92	108.5	Chloritic phyllite with FeS_x @ 105' All hard & Siliceous
108.5	111.2	Pink Quartzite?
111.2	145	Chloritic & Micaceous Schist
145	149	Pink granite with hornblende(?) & marcasite
149	164	Chloritic phyllite Quartz Stringer @ 150'
164	166	Granite (Dioritic)
166	218	Chloritic phyllite
218	237	Dark green Qtzite, grading into light grey at 224'
237	242	Chloritic Phyllite Soft & broken @ 241'
242	252.5	Dark green chloritic schistose material with elongated blobs of qtz. (Gneiss?)
252.5	256.5	Marble & Dolomite
256.5	261.5	Quartz or Quartzite
261.5	292	Highly siliceous phyllite - FeS_x present - Broken at contacts
292	294	Highly bleached phyllite
294	297	Core ground up
297	292	Highly Siliceous material (phyllite?) Streak of brown mineralization @ 285.5' (FeS_x?)
292	300	Granite (Dioritic) Fingers of quartzite material at 296 & 298'
300	351	Highly siliceous material resembling fine grained qtzite. Schistose mineral structure with bands of garnet(?) Granite fingers 312 to 314.5 and 346 to 346.5
351	358	Same as above with granite stringer @ 356-357
		END OF HOLE

D.D. No. 5

From	To	Description
0	15'	Overburden
15'	30	Chloritic, micaceous schist
30	43	Broken Core Mica schist with Sericite
43	44.5	Pink granitic(?) material
44.5	68.5	Chloritic Phyllite with minor streaks of quartz
68.5	69.5	Pink quartzite or granitic material
69.5	102	Grey, green siliceous phyllite
102	122	Soft, gouge Semi-bleached green phyllite
122	137	Siliceous grey green phyllite -- almost quartzite
137	141	grey green phyllite Calcareous along schistose layers. Scattered FeS_x
141	178	Chloritic (dark green) schistose material with blobs of quartz material (Gneiss?)
178	188	Chloritic & calcareous phyllite.
		END OF HOLE

Note: Hole scheduled to go 200' -- Machine broke down at 190' Decision made to stop drilling at 188'

~ Legend ~

- ⊙4 --- Location USBM Drill Holes
- ⊙No. 1 --- D.M.A. - Diamond Drill Holes Drilled.
- ~~No. 4 -- Proposed D.M.A. Holes~~
- ---- Main level Tunnel
- ---- Old Stope outline
- ---- Vein outcrop
- --- Fault outcrops or projected outcrops

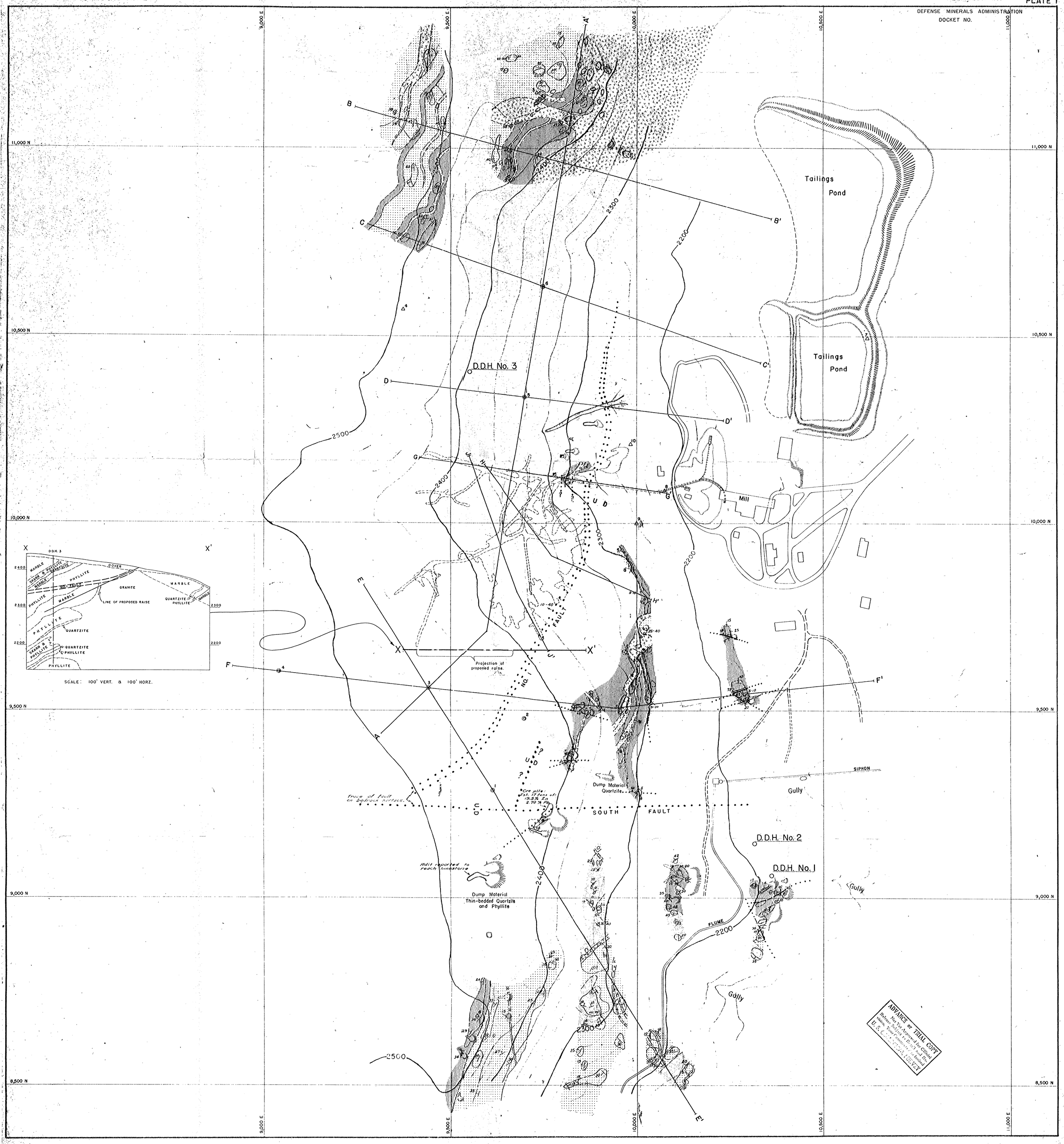
8189-L "ALBANENE"—K. & E. CO., N. Y.—REG. U. S. PAT. OFF.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP

PLATE I

DEFENSE MINERALS ADMINISTRATION
DOCKET NO.



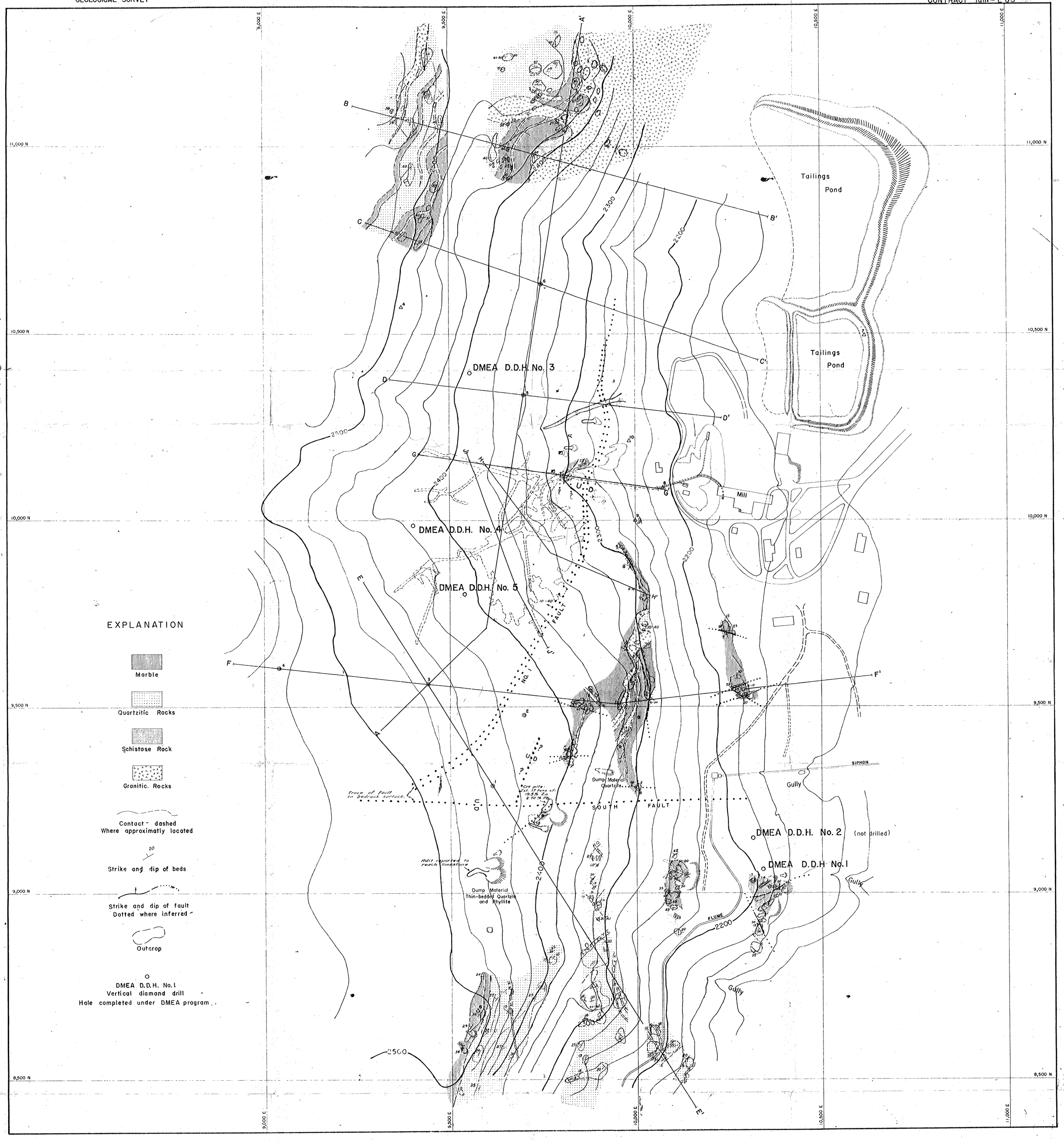
SURFACE GEOLOGY AND TOPOGRAPHY, SIERRA ZINC MINE, STEVENS COUNTY, WASHINGTON

SCALE 0 100 200 300 FEET

Contour Interval: 25 ft.

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DEFENSE MINERALS EXPLORATION ADMINISTRATION
Docket No. DML 1654 X
CONTRACT idm-E 85



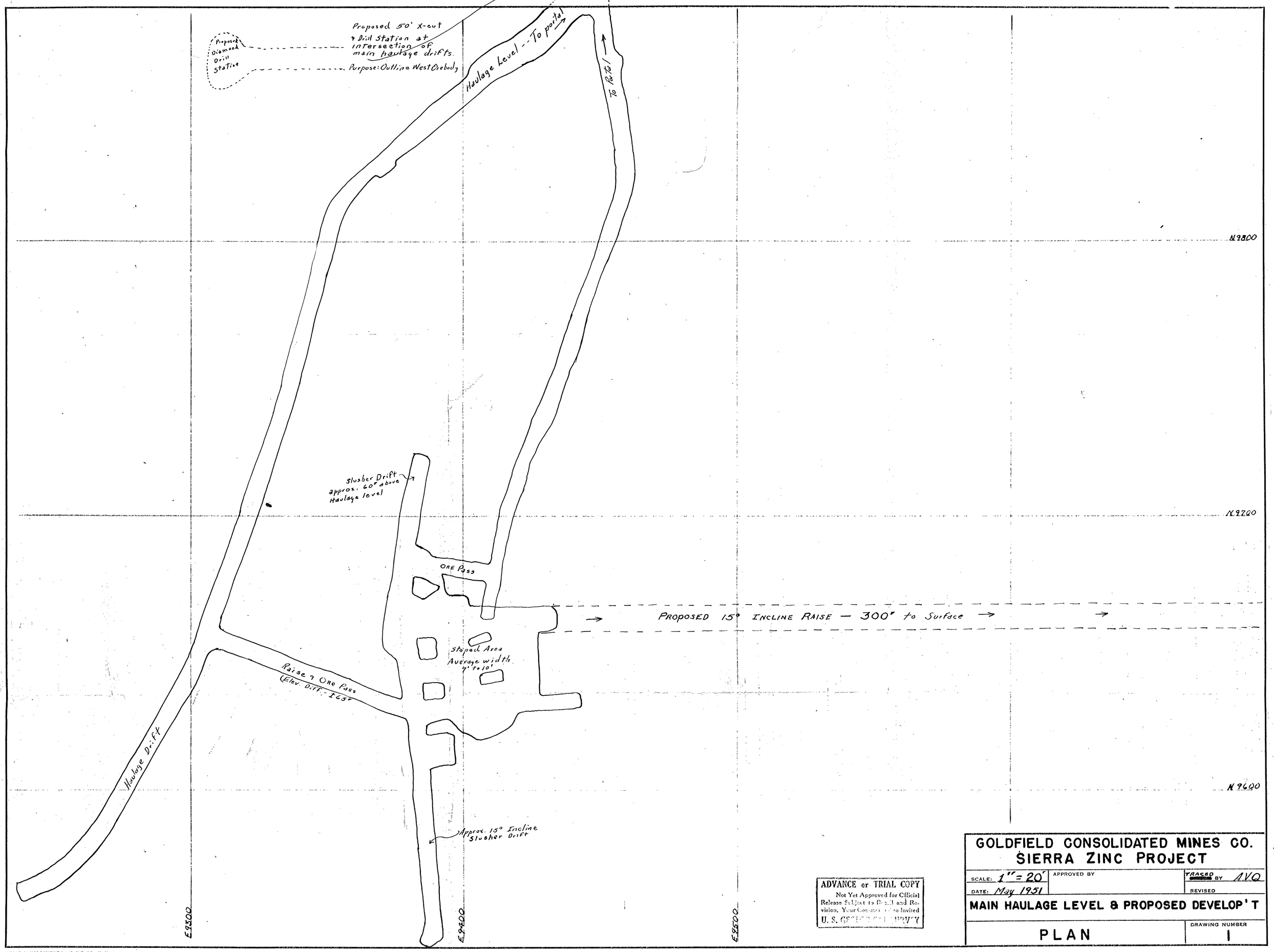
SURFACE GEOLOGY AND TOPOGRAPHY, SIERRA ZINC MINE, STEVENS COUNTY, WASHINGTON

SCALE 0 100 200 300 FEET

Contour Interval: 25 ft.

Modified from map compiled by C.D. Campbell, USGS, 1944

NOTE: Leave 1.5" margin when trimming.



ADVANCE or TRIAL COPY
Not Yet Approved for Official Release Subject to Recall and Revision. Your Comments are Invited
U. S. GEOLOGICAL SURVEY

GOLDFIELD CONSOLIDATED MINES CO.
SIERRA ZINC PROJECT

SCALE: 1" = 20'	APPROVED BY	TRACED BY AVQ
DATE: May 1951		REVISED

MAIN HAULAGE LEVEL & PROPOSED DEVELOP'T

PLAN

DRAWING NUMBER 1

B195-L "ALBANENE"—K. & E. CO., N. Y.—REG. U.S. PAT. OFF.

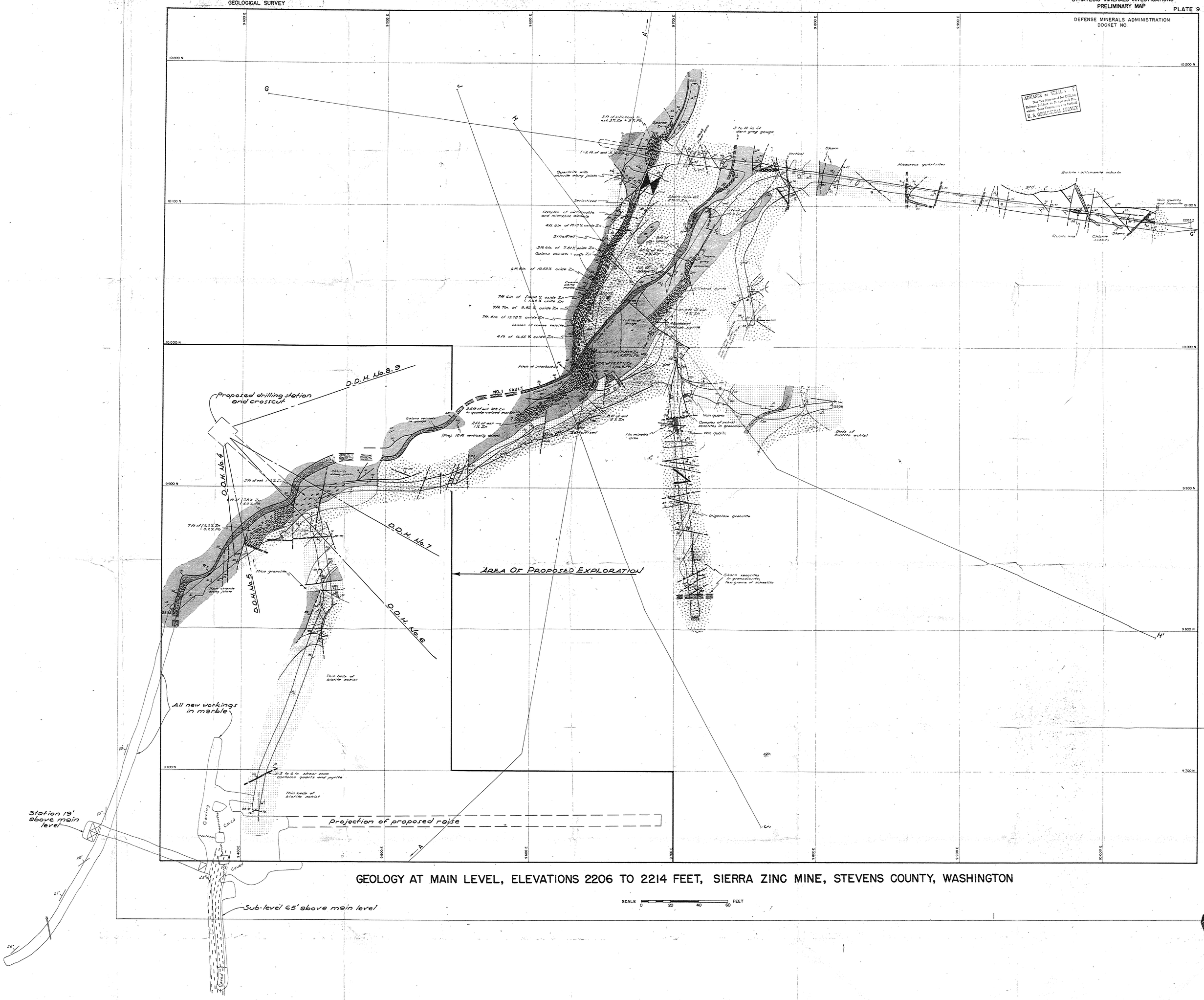
UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

STRATEGIC MINERALS INVESTIGATIONS
PRELIMINARY MAP

PLATE 9

DEFENSE MINERALS ADMINISTRATION
DOCKET NO.

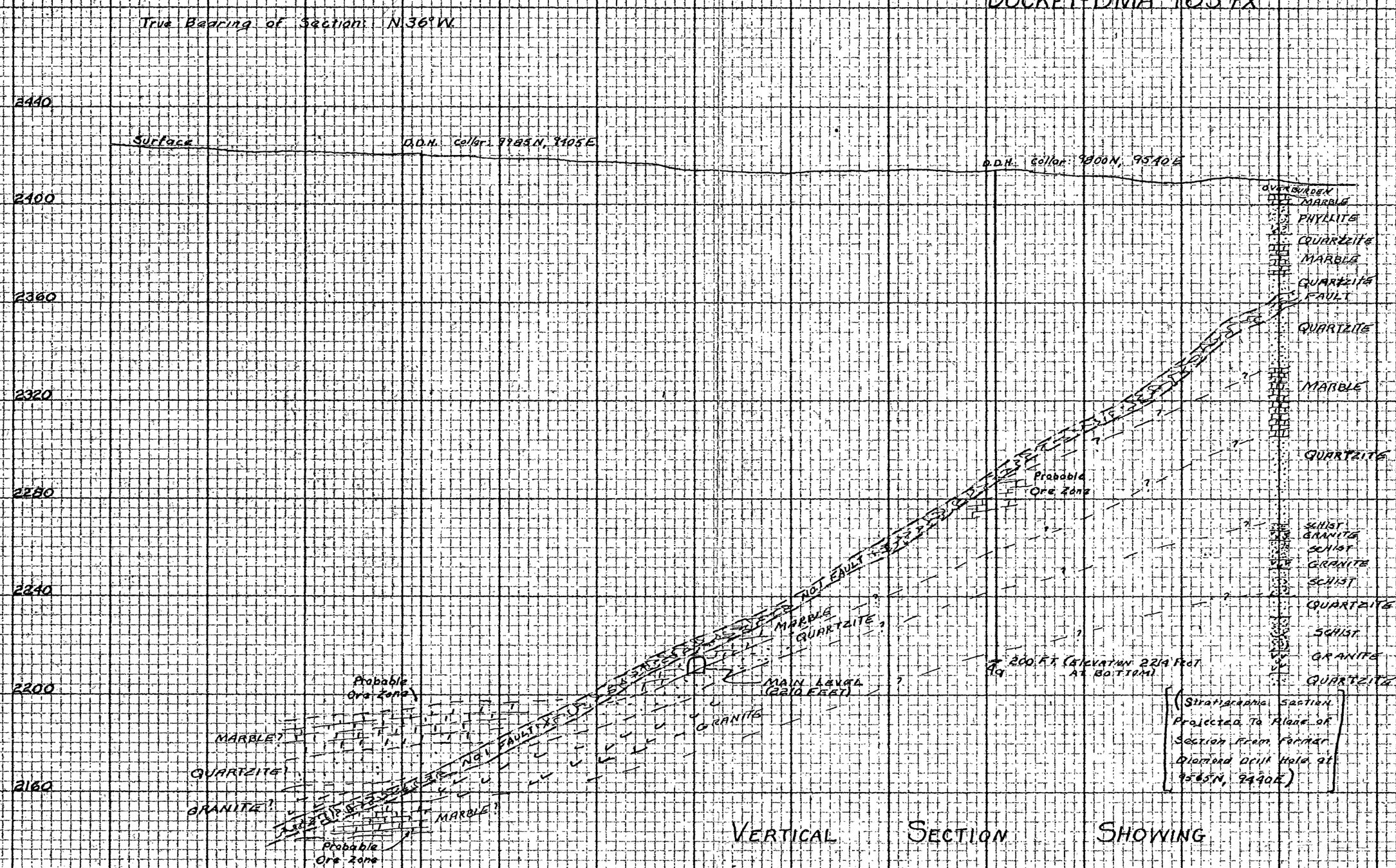
ADVANCE or THIS MAP
Not Yet Approved for Official Release. Subject to Editorial and Technical Revisions. Not Consistent in Inclusion
U. S. GEOLOGICAL SURVEY



GEOLOGY AT MAIN LEVEL, ELEVATIONS 2206 TO 2214 FEET, SIERRA ZINC MINE, STEVENS COUNTY, WASHINGTON

SCALE 0 20 40 60 FEET

DOCKET-DMA 1654x



VERTICAL SECTION SHOWING
TWO NEW PROPOSED DIAMOND-DRILL HOLES
AT SIERRA ZINC MINE
AS PER AMENDMENT No 1 ON
DMA CONTRACT Idm-E85

Horizontal and Vertical Scale 1" = 40'

Modified from former maps, October, 1951, by W.P. Puffett, USGS